

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

FORM APPROVED  
OMB No. 1004-0137  
Expires March 31, 2007

5. Lease Serial No.  
**U-01304**

6. If Indian, Allottee or Tribe Name

7. If Unit or CA Agreement, Name and No.

8. Lease Name and Well No.  
**EAST CHAPITA 70-04**

9. API Well No.

**43-047-39275**

10. Field and Pool, or Exploratory  
**Natural Buttes/Mesaverde/Wasatch**

11. Sec., T. R. M. or Blk. and Survey or Area

**Section 4, T9S, R23E S.L.B&M**

12. County or Parish  
**Uintah**

13. State  
**UT**

1a. Type of work: ☒ DRILL ☐ REENTER

1b. Type of Well: ☐ Oil Well ☒ Gas Well ☐ Other ☐ Single Zone ☒ Multiple Zone

2. Name of Operator  
**EOG RESOURCES, INC.**

3a. Address **P.O. Box 1815 Vernal Ut 84078**

3b. Phone No. (include area code)  
**435-789-0790**

4. Location of Well (Report location clearly and in accordance with any State requirements.)\*  
At surface **642554 501 FNL & 1790 FEL Lot 2 (NWNE) 40.070606 LAT 109.329039 LON**  
At proposed prod. zone **SAME 44367254 40.070628 109.328325**

14. Distance in miles and direction from nearest town or post office\*  
**34.5 Miles South of Vernal, UT**

15. Distance from proposed\*  
location to nearest  
property or lease line, ft.  
(Also to nearest drig. unit line, if any) **501 Lease Line**  
**470 Drilling Line**

16. No. of acres in lease  
**2451**

17. Spacing Unit dedicated to this well  
**40**

18. Distance from proposed location\*  
to nearest well, drilling, completed,  
applied for, on this lease, ft. **2790**

19. Proposed Depth  
**9450**

20. BLM/BIA Bond No. on file  
**NM 2308**

21. Elevations (Show whether DF, KDB, RT, GL, etc.)  
**4970 GL**

22. Approximate date work will start\*

23. Estimated duration  
**45 Days**

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No.1, must be attached to this form:

1. Well plat certified by a registered surveyor.

2. A Drilling Plan.

3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO must be filed with the appropriate Forest Service Office).

4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).

5. Operator certification

6. Such other site specific information and/or plans as may be required by the BLM.

25. Signature

Name (Printed Typed)

Date

Title

**Sr. Regulatory Assistant**

**Kaylene R. Gardner**

**04/24/2007**

Approved by (Signature)

Name (Printed Typed)

Date

Title

**BRADLEY G. HILL**  
**ENVIRONMENTAL MANAGER**

**05-16-07**

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Conditions of approval, if any, are attached.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

\*(Instructions on page 2)

**Federal Approval of this  
Action is Necessary**

**RECEIVED**

**APR 27 2007**

**DIV. OF OIL, GAS & MINING**

*T9S, R23E, S.L.B.&M.*

**1977 Brass Cap, 0.5' High, Pile of Stones**

**T8S**  $S89^{\circ}52'27''E - 2644.70'$  (Meas.)  $S89^{\circ}53'16''W - 2641.45'$  (Meas.) **1977 Brass Cap, 0.5' High, Pile of Stones**

**T9S**  $N00^{\circ}24'03''W - 2554.27'$  (Meas.)  $S00^{\circ}18'50''E - 2650.23'$  (Meas.)  $S00^{\circ}14'11''E - 2645.30'$  (Meas.)

**LOT 4** **LOT 3** **LOT 2** **LOT 1**

**EAST CHAPITA #70-4**

**Elev. Ungraded Ground = 4970'**

**1977 Brass Cap, 0.6' High, Set Stone**

**501'**

**1790'**

**1977 Brass Cap, 1.2' High, Pile of Stones**

**1977 Brass Cap, 0.5' High**

**1977 Brass Cap, 1.2' High, 2x4 Post**

**1977 Brass Cap, 1.0' High, Steel Post**

$S89^{\circ}47'52''W - 2632.87'$  (Meas.)  $S89^{\circ}58'13''W - 2643.94'$  (Meas.)

**1977 Brass Cap, 0.5' High, Pile of Stones**

**LEGEND:**

- L = 90° SYMBOL  
 ● = PROPOSED WELL HEAD.  
 ▲ = SECTION CORNERS LOCATED.

(NAD 83)  
LATITUDE = 40°04'14.18" (40.070606)  
LONGITUDE = 109°19'44.54" (109.329039)  
(NAD 27)  
LATITUDE = 40°04'14.31" (40.070642)  
LONGITUDE = 109°19'42.09" (109.328358)

**EOG RESOURCES, INC.**

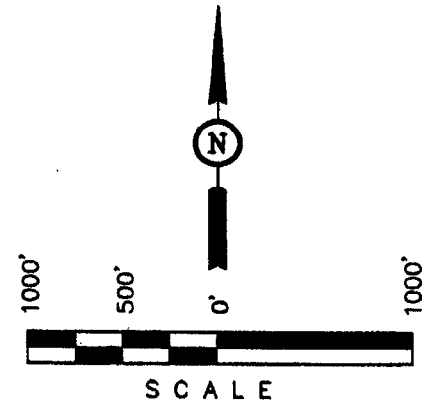
Well location, EAST CHAPITA #70-4, located as shown in Lot 2 of Section 4, T9S, R23E, S.L.B.&M., Uintah County, Utah.

### BASIS OF ELEVATION

BENCH MARK 58 EAM (1965) LOCATED IN THE NE 1/4 OF SECTION 30, T9S, R23E, S.L.B.&M. TAKEN FROM THE RED WASH SE, QUADRANGLE, UTAH, UINTAH COUNTY, 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 5132 FEET.

## BASIS OF BEARINGS

**BASIS OF BEARINGS IS A G.P.S. OBSERVATION.**



# CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE PLANS WERE PREPARED FROM  
FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY  
SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE  
BEST OF MY KNOWLEDGE AND BELIEF.

BELLEVILLE, MO. No. 151319  
 (ROBERT L.)  
 REGISTERED LAND SURVEYOR  
 REGISTRATION NO. 151319  
 STATE OF MISSOURI

**UNTAH ENGINEERING & LAND SURVEYING**  
**85 SOUTH 200 EAST - VERNAL, UTAH 84078**  
**(435) 789-1017**

SCALE 1" = 1000'	DATE SURVEYED: 11-14-06	DATE DRAWN: 11-17-06
PARTY G.S.      J.H.      C.H.	REFERENCES G.L.O. PLAT	
WEATHER COOL	FILE EOG RESOURCES, INC.	

STATE OF UTAH )

) ss

COUNTY OF UINTAH )

VERIFICATION

Kaylene R. Gardner, of lawful age, being first duly sworn upon oath, deposes and says:

She is the Sr. Regulatory Assistant of EOG Resources, Inc., of Vernal, Utah. EOG Resources, Inc. is the operator of the following described well:

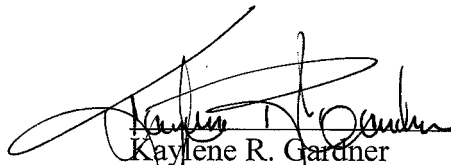
**EAST CHAPITA 70-04  
501' FNL & 1790' FEL (Lot 2)  
SECTION 4, T9S, R23E  
UINTAH COUNTY, UTAH**

EOG Resources, Inc., and Encana Oil & Gas (USA) Inc., Exhibit A is the only owners in the well and/or of all contiguous oil and gas leases or drilling units overlying the pool.

On the 24<sup>th</sup> day of April, 2007 she placed in the United States mail, with postage prepaid, a copy of the attached Application for Commingling in one wellbore for the subject well.

Said envelope which contained these instruments was addressed to the Utah Division of Oil, Gas & Mining, Bureau of Land Management and Encana Oil & Gas (USA) Inc.

Further affiant saith not.

  
Kaylene R. Gardner  
Sr. Regulatory Assistant

Subscribed and sworn before me this 24<sup>th</sup> day of April, 2007.

My Commission Expires: <sup>April 15, 2008</sup>  
~~August 1, 2009~~

Notary Public

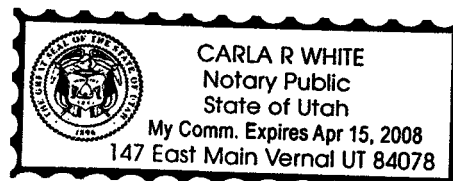


Exhibit "A" to Affidavit  
East Chapita 70-04 Application to Commingle

Encana Oil & Gas (USA) Inc.  
370 17<sup>th</sup> Street, Suite 1700  
Denver, CO 80202  
Attention: Mr. Barrett Brannon

R 23 E

BADLANDS UNIT

33

T 8 S

U-64422

3 36.12

2 36.14

1 36.15

ECW 70-4

T 9 S

4

U-01304

○ EAST CHAPITA 70-4

Scale: 1"=1000'

0 1/4 1/2 Mile



eog resources

Denver Division

### EXHIBIT "A"

EAST CHAPITA 70-4  
Commingle Application  
Uintah County, Utah

Scale:  
1"=1000'

Dr: utah.Commingles;  
page: ECH-4\_commingled.dwg  
WELL

Author

TLM

Apr 20, 2007 -  
9:09am

**EIGHT POINT PLAN**

**EAST CHAPITA 70-04**  
**NW/NE, SEC. 4, T9S, R23E, S.L.B.&M..**  
**UINTAH COUNTY, UTAH**

**1. & 2. ESTIMATED TOPS & ANTICIPATED OIL, GAS, & WATER ZONES:**

<b>FORMATION</b>	<b>TVD-RKB (ft)</b>	<b>Objective</b>	<b>Lithology</b>	
Green River	2,034		Shale	
Wasatch	4,928	Primary	Sandstone	Gas
Chapita Wells	5,528	Primary	Sandstone	Gas
Buck Canyon	6,177	Primary	Sandstone	Gas
North Horn	6,773	Primary	Sandstone	Gas
KMV Price River	7,234	Primary	Sandstone	Gas
KMV Price River Middle	8,091	Primary	Sandstone	Gas
KMV Price River Lower	8,920	Primary	Sandstone	Gas
Sego	9,241		Sandstone	
<b>TD</b>	<b>9,450</b>			

Estimated TD: **9,450' or 200'± below Sego top**

**Anticipated BHP: 5,160 Psig**

1. Fresh Waters may exist in the upper, approximately 1,000 ft ± of the Green River Formation, with top at about 2,000 ft ±.
2. Cement isolation is installed to surface of the well isolating all zones by cement.

EOG Resources, Inc. requests authorization for commingling of production from the Wasatch, and Mesaverde formations in the referenced wellbore. In the event allocation of production is necessary, the allocation will be based on proportionate net pay as calculated from cased hole logs. Production from the Wasatch, and Mesaverde formations will be commingled in the wellbore and produced through open ended 2-3/8" tubing landed below all perforations in the 4-1/2" production casing.

Attached is a map showing the location of all wells on contiguous oil and gas leases or drilling units and an affidavit showing that this application has been provided to owners of all contiguous oil and gas leases or drilling units overlying the pool.

**3. PRESSURE CONTROL EQUIPMENT:**

Production Hole – 5000 Psig  
BOP schematic diagrams attached.

## EIGHT POINT PLAN

### EAST CHAPITA 70-04 NW/NE, SEC. 4, T9S, R23E, S.L.B.&M.. UINTAH COUNTY, UTAH

#### 4. CASING PROGRAM:

<u>CASING</u>	<u>Hole Size</u>	<u>Length</u>	<u>Size</u>	<u>WEIGHT</u>	<u>Grade</u>	<u>Thread</u>	<u>Rating Collapse</u>	<u>Factor Burst</u>	<u>Tensile</u>
Conductor	17 1/2"	0 – 45'	13 3/8"	48.0#	H-40	STC	770 PSI	1730 PSI	322,000#
Surface	12 1/4"	0 – 2,300' KB±	9-5/8"	36.0#	J-55	STC	2020 PSI	3520 Psi	394,000#
Production	7-7/8"	Surface – TD	4-1/2"	11.6#	N-80	LTC	6350 PSI	7780 Psi	223,000#

**Note:** 12-1/4" surface hole will be drilled to a total depth of 200'± below the base of the Green River lost circulation zone and cased w/9-5/8" as shown to that depth. Drilled depth may be shallower or deeper than the 2300' shown above depending on the actual depth of the loss zone.

**All casing will be new or inspected.**

#### 5. Float Equipment:

##### **Surface Hole Procedure (0' - 2300'±)**

Guide Shoe

Insert Float Collar (PDC drillable)

Centralizers: 1-5' above shoe, top of jts. #2 and #3 then every 5<sup>th</sup> joint to surface. (15 total)

##### **Production Hole Procedure (2300'± - TD):**

Float shoe, 1 joint casing, float collar and balance of casing to surface. 4-1/2", 11.6#, N-80 or equivalent marker collars or short casing joints to be placed at top of Price River and 400' above top of Wasatch. Centralizers to be placed 5' above shoe on joint #1, top of joint #2, and every 2nd joint to 400' above Wasatch Island top. Thread lock float shoe, top and bottom of float collar, and top of 2<sup>nd</sup> joint.

#### 6. MUD PROGRAM

##### **Surface Hole Procedure (Surface - 2300'±):**

Air/air mist or aerated water.

**Production Hole Procedure (2300'± - TD):** Anticipated mud weight 9.5 – 10.5 ppg depending on actual wellbore conditions encountered while drilling.

**EIGHT POINT PLAN**

**EAST CHAPITA 70-04**  
**NW/NE, SEC. 4, T9S, R23E, S.L.B.&M..**  
**UINTAH COUNTY, UTAH**

**2300'± - TD** A closed mud system will be utilized. A bentonite gelled water mud system will be used to control viscosity w/PHPA polymer used for supplemental viscosity and clay encapsulation/inhibition. Water loss will be maintained at <15cc's using white starch or PAC. Bactericides will be used as needed. Anticipated pH will range from 9.0-10.0. Mud weight will be adjusted as necessary for well control. Deflocculants/thinners will be used as necessary to maintain mud quality. LCM sweeps will be utilized as necessary to control lost circulation and mud loss. CO2 contamination, if encountered, will be treated with lime and gypsum.

**7. VARIANCE REQUESTS:**

**Reference:** Onshore Oil and Gas Order No. 2 – Item E: Special Drilling Operations

EOG Resources, Inc. requests a variance to regulations requiring the blooie line to be 100' in length. Due to reduce location excavation, the blooie line will be approximately 75' in length

**8. EVALUATION PROGRAM:**

**Logs:** Mud log from base of surface casing to TD.

**Cased-hole Logs:** Cased-hole logs will be run in lieu of open-hole logs consisting of the following:  
**Cement Bond / Casing Collar Locator and Pulsed Neutron**

**9. CEMENT PROGRAM:**

**Surface Hole Procedure (Surface - 2300'±):**

**Lead:** 185 sks Class "G" cement with 16% Gel, 10 #/sx Gilsonite, 3% Salt, 2% CaCl<sub>2</sub>, 3 lb/sx GR3 ¼ #/sx Flocele mixed at 11 ppg, 3.82 ft<sup>3</sup>/sk. yield, 23 gps water.

**Tail:** 207 sks Class "G" cement with 2% CaCl<sub>2</sub>, ¼#/sk Flocele mixed at 15.6 ppg, 1.18 ft<sup>3</sup>/sk., 5.2 gps water.

**Top Out:** As necessary with Class "G" cement with 2% CaCl<sub>2</sub>, ¼#/sk Flocele mixed at 15.6 ppg, 1.18 ft<sup>3</sup>/sk., 5.2 gps water.

**Note:** Cement volumes will be calculated to bring lead cement to surface and tail cement to 500' above the casing shoe.



**EIGHT POINT PLAN**  
**EAST CHAPITA 70-04**  
**NW/NE, SEC. 4, T9S, R23E, S.L.B.&M..**  
**UINTAH COUNTY, UTAH**

**Production Hole Procedure (2300'± - TD)**

**Lead:**           **152 sks:** Hi-Lift "G" w/12% D20 (Bentonite), 1% D79 (Extender), 5% D44 (Salt), 0.2% D46 (Antifoam), 0.25% D112 (Fluid Loss Additive), 0.25 pps D29 (cello flakes) mixed at 11.0 ppg, 3.91 ft<sup>3</sup>/sk., 24.5 gps water.

**Tail:**           **885 sks:** 50:50 Poz "G" w/ 2% D20 (Bentonite), 0.1% D46 (Antifoam), 0.075% D13 (Retarder), 0.2% D167 (Fluid Loss Additive), 0.2% D65 (Dispersant), mixed at 14.1 ppg, 1.28 ft<sup>3</sup>/sk., 5.9gps water.

**Note:**           The above number of sacks is based on gauge-hole calculation.  
Lead volume to be calculated to bring cement to 200'± above 9-5/8" casing shoe.  
Tail volume to be calculated to bring cement to 400'± above top of Wasatch.

**Final Cement volumes will be based upon gauge-hole plus 45% excess.**

**10. ABNORMAL CONDITIONS:**

**Surface Hole (Surface - 2300'±):**

Lost circulation

**Production Hole (2300'± - TD):**

Sloughing shales, lost circulation and key seat development are possible in the Wasatch Formation.

**11. STANDARD REQUIRED EQUIPMENT:**

- A. Choke Manifold
- B. Upper and Lower Kelly Cock
- C. Stabbing Valve
- D. Visual Mud Monitoring

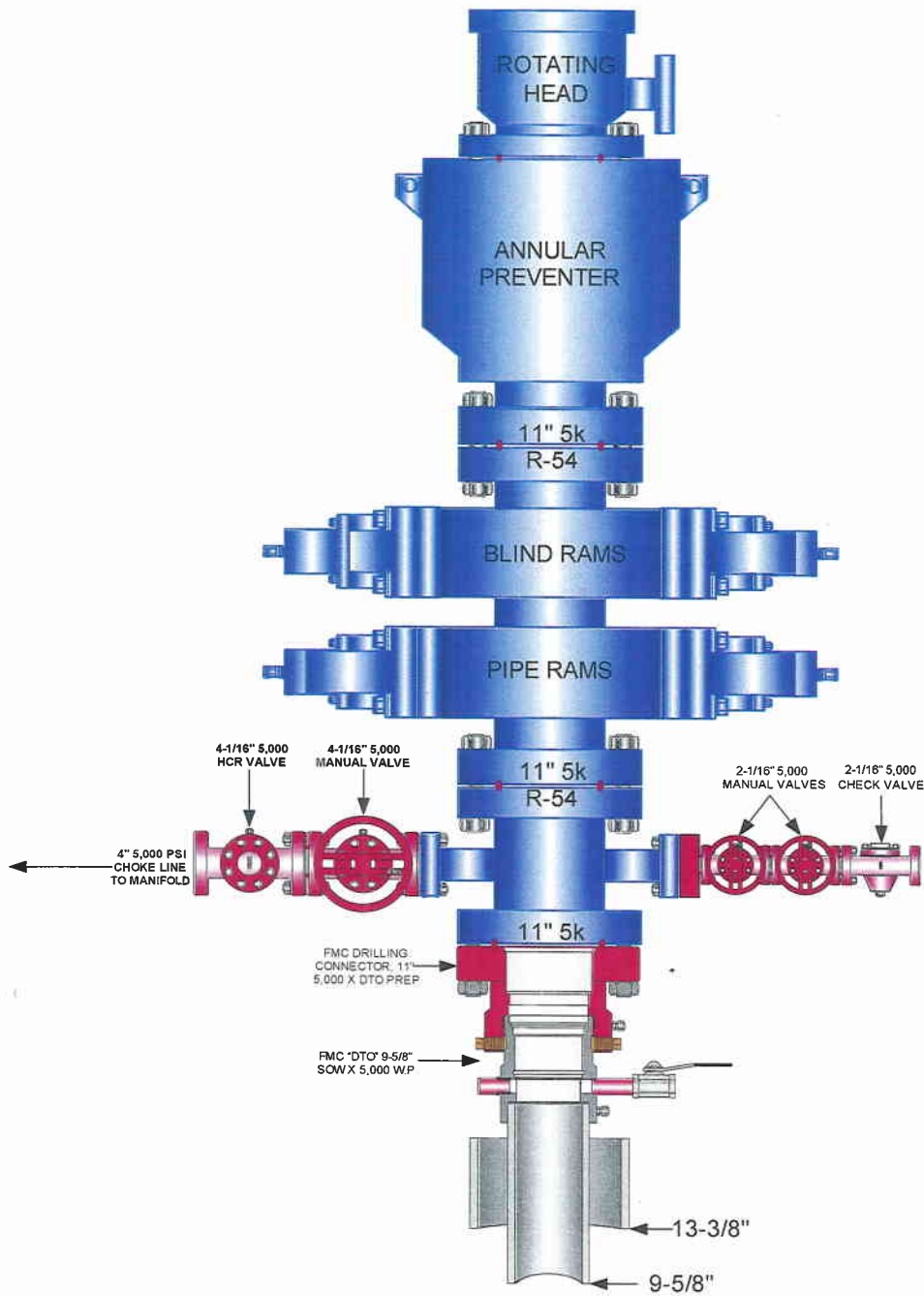
**12. HAZARDOUS CHEMICALS:**

No chemicals subject to reporting under SARA title III in an amount equal to or greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling of this well. Furthermore, no extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will be used, produced, stored, transported, or disposed of in association with the drilling of this well.

(Attachment: BOP Schematic Diagram)

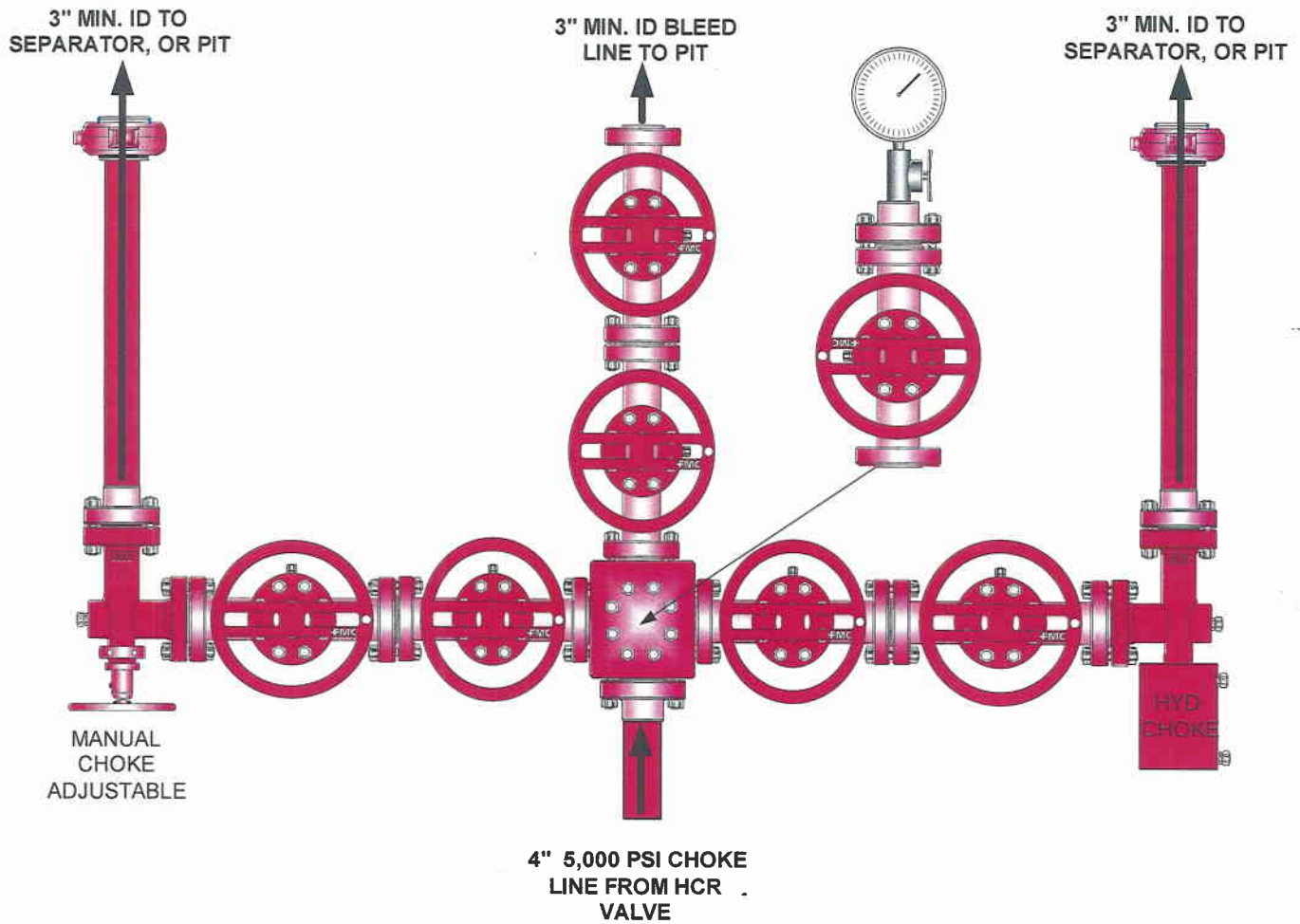
**EOG RESOURCES 11" 5,000 PSI W.P. BOP  
CONFIGURATION**

PAGE 1 OF 2



## EOG RESOURCES CHOKE MANIFOLD CONFIGURATION W/ 5,000 PSI WP VALVES

PAGE 2 OF 2



### Testing Procedure:

1. BOP will be tested with a professional tester to conform to Onshore Order #2.
2. Blind and Pipe rams will be tested to rated working pressure, 5,000 psi.
3. Annular Preventer will be tested to 50% working pressure, 2,500 psi.  
Casing will be tested to 0.22 psi / ft. or 1,500 psi. Not to exceed 70% of burst strength, **whichever is greater.**
4. All lines subject to well pressure will be tested to the same pressure as blind and pipe rams.
5. All BOPE specifications and configurations will meet Onshore Order #2 requirements.



***East Chapita 70-04  
Lot 2, Section 4, T9S, R23E  
Uintah County, Utah***

***SURFACE USE PLAN***

The well pad is approximately 325 feet long with a 246-foot width, containing 1.84 acres more or less. The well access road is approximately 3328 feet long with a 40-foot right-of-way, disturbing approximately 3.06 acres. New surface disturbance associated with access road and the well pad is estimated to be approximately 4.90 acres. The pipeline is approximately 422 feet long with a 40-foot right-of-way, disturbing approximately 0.39 acres.

***1. EXISTING ROADS:***

- A. See attached Plats showing directional reference stakes on location, and attached TOPO Map "B" showing access to location from existing roads.
- B. The proposed well site is located approximately 34.5 miles south of Vernal, Utah – See attached TOPO Map "A".
- C. Refer to attached Topographic Map "A" showing labeled access route to location.
- D. Existing roads will be maintained and repaired as necessary.

***2. PLANNED ACCESS ROAD:***

- A. The access road will be approximately 3328' in length with one (1) 24" x 60' CMP installed in the barrow ditch of the access road. See attached Topo B.
- B. The access road has a 40 foot ROW w/20 foot running surface.
- C. Maximum grade of the new access road will be 8 percent.
- D. No turnouts will be required.
- E. Road drainage crossings shall be of the typical dry creek drainage crossing type.
- F. No bridges, or major cuts and fills will be required.
- G. The access road will be dirt surface.
- H. No gates, cattleguards, or fences will be required or encountered.

- I. A 40-foot permanent right-of-way is requested. No surfacing material will used.
- J. No additional storage areas will be needed for storing equipment, stockpiling, or vehicle parking.

All travel will be confined to existing access road rights-of-way.

New or reconstructed roads will be centerlined – flagged at time of location staking. Access roads and surface disturbing activities will conform to standards outlined in the Bureau of Land Management and Forest Service publication: Surface Operating Standards for Oil and Gas Exploration and Development, Fourth Edition and/or BLM Manual Section 9113 concerning road construction standards on projects subject to federal jurisdiction.

The road shall be constructed/upgraded to meet the standards of the anticipated traffic flow and all-weather road requirements. Construction/upgrading shall include ditching, draining, graveling, crowning, and capping the roadbed as necessary to provide a well constructed safe road. Prior to upgrading, the road shall be cleared of any snow cover and allowed to dry completely. Traveling off the 40 foot right-of-way will not be allowed. Road drainage crossings shall be of the typical dry creek drainage crossing type. Crossings shall be designed so they will not cause siltation or accumulation of debris in the drainage crossing nor shall the drainages be blocked by the roadbed. Erosion of drainage ditches by runoff water shall be prevented by diverting water off at frequent intervals by means of cutouts. Upgrading shall not be allowed during muddy conditions. Should mud holes develop, they shall be filled in and detours around then avoided.

As operator, EOG Resources, Inc. shall be responsible for all maintenance on cattleguards, or gates associated with this oil and/or gas operation.

Traveling off the 40 foot right-of-way will not be allowed. The access road and associated drainage structures will be constructed and maintained in accordance with road guidelines contained in the joint BLM/USFS publication: Surface Operating Standards for Oil and Gas Exploration and Development, Third Edition, and/or BLM Manual Section 9113 concerning road construction standards on projects subject to federal jurisdiction. During the drilling and production phase of operations, the road surface and shoulders will be kept in a safe and useable condition and drainage ditches and culverts will be kept clear and free flowing.

### **3. LOCATION OF EXISTING WELLS WITHIN A ONE-MILE RADIUS:**

See attached TOPO map "C" for the location of wells within a one-mile radius.

### **4. LOCATION OF EXISTING AND/OR PROPOSED PRODUCTION FACILITIES:**

#### **A. On Well Pad**

1. Production facilities will be set on location if the well is successfully completed for production. Facilities will consist of wellhead valves, combo separator-dehy unit with meter, two (2) 400-bbl vertical tanks and attaching piping.
2. Gas gathering lines – A 4" gathering line will be buried from dehy to the edge of the location.

**B. Off Well Pad**

1. Proposed pipeline will transport natural gas.
2. The pipeline will be a permanent feeder line.
3. The length of the proposed pipeline is 422' x 40'. The proposed pipeline leaves the western edge of the well pad (Lease U-01304) proceeding in a northerly direction for an approximate distance of 422' tying into a proposed pipeline located in the NWNE of Section 4, T9S, R23E (Lease U-01304). Pipe will be 4" NOM, 0.156 wall, Grade X42, Zap-Lock, electric weld with a 35 mil X-Tru coating.
4. Proposed pipeline will be a 4" OD steel, zap-lok line laid on the surface
5. Proposed pipeline will be laid on surface.
6. A 20-foot permanent pipeline right-of-way is requested. A 40-foot temporary pipeline right-of-way for construction purposes is requested, the temporary right-of-way will be utilized for a 10-day period.
7. The proposed pipeline route begins in the NWNE of section 4, township 9S, range 23E, proceeding northerly for an approximate distance of 422' to the NWNE of section 4, township 9S, range 23E.
8. Pipeline will be coupled using the Zap lock method. No additional off-pad facilities will be required.

All permanent (on site for six months or longer) structures constructed or installed (including pumping units) will be painted a flat, non-reflective, earthtone color to match one of the standard environmental colors, as determined by the Rocky Mountain Five State Interagency Committee. All facilities will be painted within 6 months of installation. **All facilities will be painted with Carlsbad Canyon.** Facilities required to comply with O.S.H.A. (Occupational Safety and Health Act) will be excluded.

**5. LOCATION AND TYPE OF WATER SUPPLY:**

- A. Water supply will be from Ouray Municipal Water Plant at Ouray, Utah, and/or Bonanza Power Plant water source in Sec 26, T8S, R23E Uintah County, UT (State Water Right # 49-225(A31368)). Water will be hauled by a licensed trucking company.
- B. Water will be hauled by a licensed trucking company.
- C. No water well will be drilled on lease.

**6. SOURCE OF CONSTRUCTION MATERIALS:**

- A. All construction material for this pipeline will be of native borrow and soil accumulated during the construction of the location.
- B. No mineral materials will be required.

**7. METHODS OF HANDLING WASTE DISPOSAL:**

**A. METHODS AND LOCATION**

- 1. Cuttings will be confined in the reserve pit.
  - 2. A portable toilet will be provided for human waste during the drilling and completion of the well. Disposal will be at the Vernal sewage disposal plant.
  - 3. Burning will not be allowed. Trash and other waste material will be contained in a wire mesh cage and disposed of at the Uintah County Landfill.
  - 4. Produced wastewater will be confined to a lined pit or storage tank for a period not to exceed 90 days after initial production. After the 90 day period, the produced water will be contained in a tank on location and then disposed of at one of the following locations: Natural Buttes Unit 21-20B SWD, Ace Disposal, CWU 550-30N SWD or EOG Resources, Inc. drilling operations (Chapita Wells Unit, Natural Buttes Unit & Stagecoach Unit).
  - 5. All chemicals will be disposed of at an authorized disposal site. Drip pans and absorbent pads will be used on the drilling rig to avoid leakage of oil to the pit.
- B. Water from drilling fluids and recovered during testing operations will be disposed of by either evaporating in the reserve pit or by removed and disposed of at an authorized disposal site. Introduction of well bore hydrocarbons to the reserve pit will be avoided by flaring them off in the flare pit at the time of recovery.

The reserve pit will be constructed so as not to leak, break, or allow discharge. If the reserve pit requires padding prior to lining (due to rocky conditions) felt padding will be used.

The reserve pit shall be lined with felt and a 16 millimeter plastic liner. Sufficient bedding (i.e. weed free straw, or hay; felt; polyswell or soil) to cover any rocks. The liner will overlap the pit walls and be covered with dirt and/or rocks to hold it in place. No trash, scrap pipe, etc., that could puncture the liner will be disposed of in the pit. More stringent protective requirements may be deemed necessary by the A.O.

EOG Resources, Inc. maintains a file, per 29 CFR 1910.1200 (g) containing current Material Safety Data Sheets (MSDS) for all chemicals, compounds, and/or substances which are used during the course of construction, drilling, completion, and production operations for this project. Hazardous materials (substances) which may be found at the site may include drilling mud and cementing products which are primarily inhalation hazards, fuels (flammable and/or combustible), materials that may be necessary for

well completion/ stimulation activities such as flammable or combustible substances and acids/gels (corrosives). The opportunity for Superfund Amendments and Reauthorization Act (SARA) listed Extremely Hazardous Substances (EHS) at the site is generally limited to proprietary treating chemicals. All hazardous and EHS and commercial preparations will be handled in an appropriate manner to minimize the potential for leaks or spills to the environment.

No chemicals subject to reporting under SARA Title III (hazardous materials) in an amount greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling, testing, or completion of the well. Furthermore, extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will not be used, produced, stored, transported, or disposed of in association with the drilling, testing or completion of the well.

**8. ANCILLARY FACILITIES:**

None anticipated.

**9. WELL SITE LAYOUT:**

- A. Refer to attached well site plat for related topography cuts and fills and cross sections.
- B. Refer to attached well site plat for rig layout and soil material stockpile location as approved on On-site.
- C. Refer to attached well site plat for rig orientation, parking areas, and access road.

The reserve pit will be located on the west corner of the location. The flare pit will be located downwind of the prevailing wind direction on the west side of the location, a minimum of 100 feet from the well head and 30 feet from the reserve pit fence.

The stockpiled pit topsoil (first six inches) will be stored separate from the location topsoil east of corner #5. The stockpiled location topsoil will be stored in a location which allows easy access for interim reclamation and protection for the topsoil. Upon completion of construction, the stockpiled topsoil from the location will be broadcast seeded with the approved seed mixture from this location and then walked down with a Caterpillar tractor.

Access to the well pad will be from the east.

**FENCING REQUIREMENTS:**

All pits will be fenced according to the following minimum standards:

- A. Thirty-nine inch net wire shall be used with at least one strand of barbed wire on top of the net wire. (Barbed wire is not necessary if pipe or some type of reinforcement rod is attached to the top of the entire fence.)



- B. The net wire shall be no more than 2 inches above the ground. The barbed wire strand shall be 3 inches above the net wire. Total height of the fence shall be at least 42 inches.
- C. Corner posts shall be cemented and/or braced in such a manner as to keep the fence tight at all times.
- D. Standard steel, wood, or pipe posts shall be used between the corner braces. Maximum distances between any two posts shall be no greater than 16 feet.
- E. All wire shall be stretched by using a stretching device before it is attached to the corner posts.

The reserve pit fencing will be on the three sides during drilling operations and on the fourth side when the rig moves off location. Pits will be fenced and maintained until clean-up.

Each existing fence to be crossed by the access road shall be braced and tied off before cutting so as to prevent slacking of the wire. The opening shall be closed temporarily as necessary during construction to prevent the escape of livestock, and, upon completion of construction, the fence shall be repaired to BLM or SMA specifications. A cattleguard with an adjacent 16 foot gate shall be installed in any fence where a road is regularly traveled. If the well is a producer, the cattleguards (shall/shall not) be permanently counted on concrete bases. Prior to crossing any fence located on Federal land, or any fence between Federal land and private land, the operator will contact the BLM, who will in turn contact the grazing permittee or owner of said fence and offer him/her the opportunity to be present when the fence is cut in order to satisfy himself/herself that the fence is adequately braced and tied off.

## **10. PLANS FOR RECLAMATION OF THE SURFACE:**

### **A. Interim Reclamation (Producing Location)**

Immediately upon well completion, the location and surrounding area will be cleared of all unused tubing, equipment, debris, materials, trash, and junk not required for production.

Immediately upon well completion, any hydrocarbons on the pit shall be removed in accordance with CFR 3162.7-1.

If a plastic nylon reinforced liner is used, it shall be torn and perforated before backfilling of the reserve pit.

The reserve pit and that portion of the location not needed for production facilities/operations will be recontoured to the approximate natural contours – See attached Figure #3. The reserve pit will be reclaimed within 90 days from the date of the well completion, or as soon as environmental conditions allow. Before any dirt takes place, the reserve pit must be completely dry and free of all foreign obstacles.

The stockpiled pit topsoil will then be spread over the pit area and broadcast seeded with the prescribed seed mixture for this location. The seeded area will then be walked down with a cat.

<b>Seed Mixture</b>	<b>Drilled Rate (lbs./acre PLS*)</b>
Crested Wheatgrass	9.0
Kochia Prostrata	3.0

\*Pure live seed (PLS) formula: percent of purity of seed mixture times percent germination of seed mixture equals portion of seed mixture that is PLS.

**B. Dry Hole/Abandoned Location**

At such time as the well is plugged and abandoned, the operator will submit a subsequent report of abandonment and the BLM will attach the appropriated surface rehabilitation conditions of approval.

<b>Seed Mixture</b>	<b>Drilled Rate (lbs./acre PLS*)</b>
Gardner saltbush	3.0
Shadscale	3.0
Crested wheatgrass	3.0

\*Pure live seed (PLS) formula: percent of purity of seed mixture times percent germination of seed mixture equals portion of seed mixture that is PLS.

**11. SURFACE OWNERSHIP:**

Surface ownership of the proposed well site, access road, and pipeline route is as follows:

Bureau of Land Management

**12. OTHER INFORMATION:**

A. EOG Resources, Inc. will inform all persons in the area who are associated with this project that they are subject to prosecution for knowingly disturbing historic or archaeological sites, or for collecting artifacts. If historic or archaeological materials are uncovered during construction, the operator will immediately stop work that might further disturb such materials, and contact the Authorized Officer. Within five working days the Authorized Officer will inform the operator as to:

- Whether the materials appear eligible for the National Register of Historic Places;
- The mitigation measures the operator will likely have to undertake before the site can be used.

- A time frame for the Authorized Officer to complete an expedited review under 36 CFR 800.11 to confirm, through the State Historic Preservation Officer, that the findings of the Authorized Officer are correct and that mitigation is appropriate.

If the operator wished, at any time, to relocate activities to avoid the expense of mitigation and/or the delays associated with this process, the Authorized Officer will assume responsibility for whatever recordation and stabilization of the exposed materials that may be required. Otherwise, the operator will be responsible for mitigation costs. The Authorized Officer will provide technical and procedural guidelines for the conduct of mitigation. Upon verification from the Authorized Officer that required mitigation has been completed, the operator will then be allowed to resume construction.

- B. As operator, EOG Resources, Inc. will control noxious weeds along Right-of-Ways for roads, pipelines, well sites, or other applicable facilities. A list of noxious weeds will be obtained from the BLM administered land, a Pesticide Use proposal shall be submitted, and given approval, prior to the application of herbicides or other pesticides or possible hazardous chemicals.
- C. Drilling rigs and/or equipment used during drilling operations on this well site will not be stacked or stored on BLM lands after the conclusion of drilling operations or at any other time without BLM authorization. However, if BLM authorization is obtained, it is only a temporary measure to allow time to make arrangements for permanent storage on commercial facilities. (The BLM does not seek to compete with private industry. There are commercial facilities available for stacking and storing drilling rigs.)
- D. The drilling rig and ancillary equipment will be removed from the location prior to commencement of completion operations. Completion operations will be conducted utilizing a completion/workover rig.

All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil and Gas Orders, the approved Plan of Operations, and any applicable Notice of Lessees. The operator is fully responsible for the actions of its subcontractors. A complete copy of the approved "Application for Permit to Drill" will be furnished to the field representative(s) to ensure compliance and shall be on location during all construction and drilling operations.

Construction activity will not be conducted using frozen or saturated soils material or during periods when watershed damage is likely to occur.

If the existing access road, proposed access road, and proposed pad are dry during construction, drilling, and completion activities, water will be applied to help facilitate compaction during construction and to minimize soil loss as a result of wind erosion.

A cultural resources and paleontology survey will be conducted and submitted by Montgomery Archaeological Consultants.

**Additional Surface Stipulations:**

No construction or drilling activities will be conducted between May 15<sup>th</sup> and June 20<sup>th</sup> due to Antelope stipulations.

No construction or drilling activities will be conducted between April 1<sup>st</sup> and August 15<sup>th</sup> due to burrowing owl stipulations.

A water diversion dam with a cobble rock spillway shall be constructed in the drainage north of the location diverting drainage around the north side of the well pad.

***LESSEE OR OPERATOR'S REPRESENTATIVE AND CERTIFICATION:***

**PERMITTING AGENT**

Kaylene R. Gardner  
EOG Resources, Inc.  
P.O. Box 1815  
Vernal, Ut 84078  
(435) 781-9111

All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil and Gas Orders, the approved plan of operations, and any applicable Notice to Lessees. The operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished to the field representative to insure compliance.

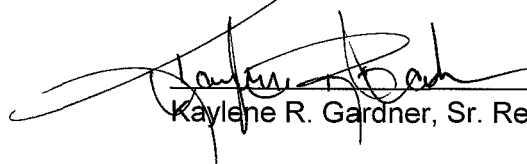
The operator or his/her contractor shall contact the BLM office at (435) 781-4400 forty-eight (48) hours prior to construction activities.

**CERTIFICATION:**

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill site and access route; that I am familiar with the conditions which currently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed by EOG Resources, Inc. and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved. This statement is subject to the provisions of 18 U.S.C. 1001 for the filing of a false statement.

Please be advised that EOG Resources, Inc. is considered to be the operator of the East Chapita 70-04 Well, located in the Lot 2, of Section 4, T9S, R23E, Uintah County, Utah; Federal land and minerals; and is responsible under the terms and conditions of the lease for the operations conducted upon the leased lands. Bond Coverage is under Bond # NM 2308.

April 24, 2007  
Date

  
Kaylene R. Gardner, Sr. Regulatory Assistant

Onsite Date: March 27, 2007

# EOG RESOURCES, INC.

## EAST CHAPITA #70-4

LOCATED IN UTAH COUNTY, UTAH

SECTION 4, T9S, R23E, S.L.B.&M.

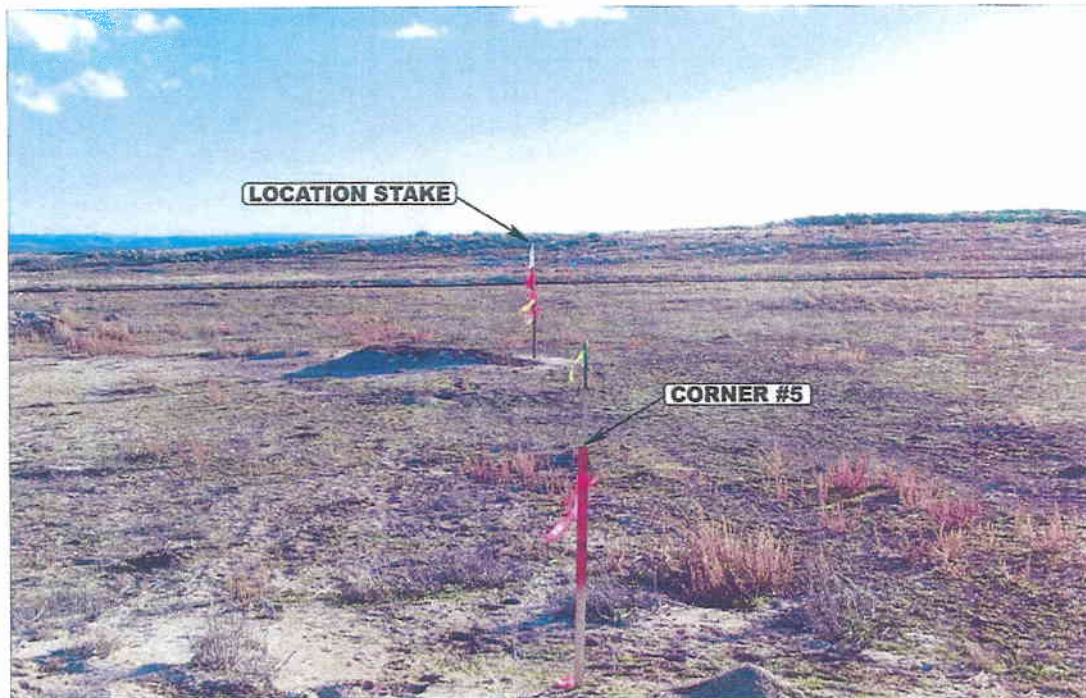


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: SOUTHWESTERLY



PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

CAMERA ANGLE: SOUTHWESTERLY



**UELS** Uintah Engineering & Land Surveying  
85 South 200 East Vernal, Utah 84078  
435-789-1017 uels@uelsinc.com

LOCATION PHOTOS

11 16 06  
MONTH DAY YEAR

PHOTO

TAKEN BY: G.S. | DRAWN BY: L.K. | REVISED: 00-00-00

**EOG RESOURCES, INC.**  
**EAST CHAPITA #70-4**  
**SECTION 4, T9S, R23E, S.L.B.&M.**

PROCEED IN AN EASTERLY, THEN SOUTHERLY DIRECTION FROM VERNAL, UTAH ALONG U.S. HIGHWAY 40 APPROXIMATELY 3.9 MILES TO THE JUNCTION OF STATE HIGHWAY 45; EXIT RIGHT AND PROCEED IN A SOUTHERLY, THEN SOUTHEASTERLY DIRECTION APPROXIMATELY 24.1 MILES ON STATE HIGHWAY 45 TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHWEST; TURN RIGHT AND PROCEED IN A SOUTHWESTERLY, THEN WESTERLY DIRECTION APPROXIMATELY 5.9 MILES TO THE BEGINNING OF AN EXISTING ROAD NEEDING UPGRADED TO THE NORTHWEST; PROCEED IN A NORTHWESTERLY DIRECTION APPROXIMATELY 0.6 MILES TO THE BEGINNING OF THE PROPOSED ACCESS TO THE SOUTHWEST; FOLLOW ROAD FLAGS IN A SOUTHWESTERLY DIRECTION APPROXIMATELY 160' TO THE PROPOSED LOCATION.

TOTAL DISTANCE FROM VERNAL, UTAH TO THE PROPOSED WELL LOCATION IS APPROXIMATELY 34.5 MILES.



# EOG RESOURCES, INC.

## LOCATION LAYOUT FOR

EAST CHAPITA #70-4

SECTION 4, T9S, R23E, S.L.B.&M.

501' FNL 1790' FEL

CONSTRUCT  
DIVERSION  
DITCH

Proposed Access  
Road

F-3.6'  
El. 68.7'

F-1.2'  
El. 71.1'

Topsoil Stockpile

65'  
Existing  
Drainage

F-2.8'  
El. 69.5'

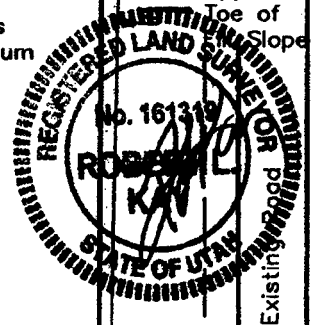
Sta. 3+25

SCALE: 1" = 50'  
DATE: 11-17-06  
Drawn By: C.H.

### NOTE:

Flare Pit is to be located  
a min. of 100' from the  
Well Head.

NOTE:  
Earthwork Calculations Require  
a Fill of 1.8' @ the Location  
Stake For Balance. All Fill is  
to be Compacted to a Minimum  
of 95% of the Maximum Dry  
Density Obtained by AASHTO  
Method t-99.



Approx.  
Toe of  
Slope

Pit Topsoil

F-1.4'  
El. 70.9'

F-1.8'  
El. 70.5'

Sta. 1+50

El. 70.7'  
C-10.4  
(btm. pit)

F-1.8'  
El. 70.5'

Total Pit Capacity  
W/2' Of Freeboard  
= 12,250 Bbls. ±  
Total Pit Volume  
= 3,320 Cu. Yds.  
RESERVE PITS  
(12' Deep)  
SLOPE = 1-1/2 : 1

F-2.0'  
El. 70.3'

DOG HOUSE

135'

Sta. 0+00

F-1.3'  
El. 73.6'

Existing Pipeline

C-11.3'  
El. 83.6'

C-8.1'  
El. 80.4'

El. 81.4'  
C-21.1'  
(btm. pit)

Approx.  
Top of  
Cut Slope

### NOTES:

Elev. Ungraded Ground At Loc. Stake = 4970.5'

FINISHED GRADE ELEV. AT LOC. STAKE = 4972.3'

FIGURE #1

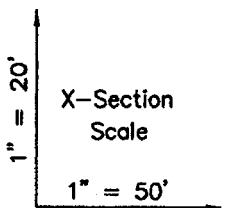
UINTAH ENGINEERING & LAND SURVEYING  
85 So. 200 East • Vernal, Utah 84078 • (435) 789-1017

# EOG RESOURCES, INC.

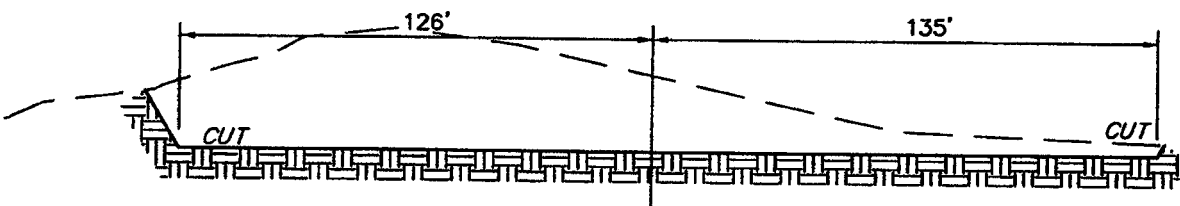
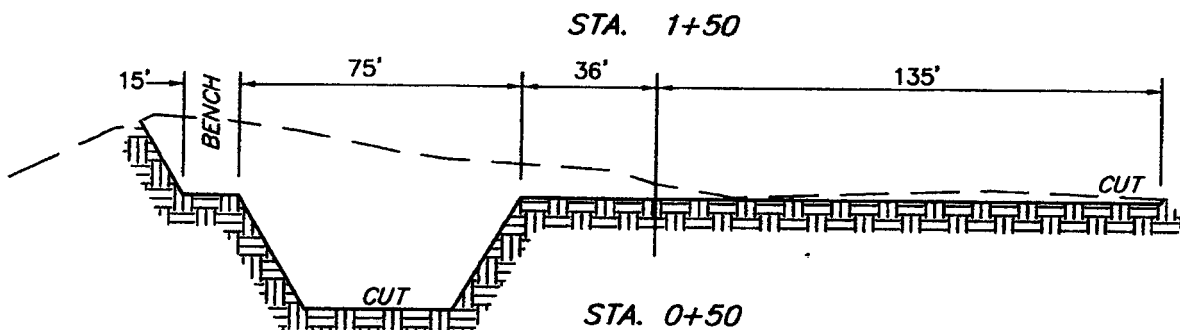
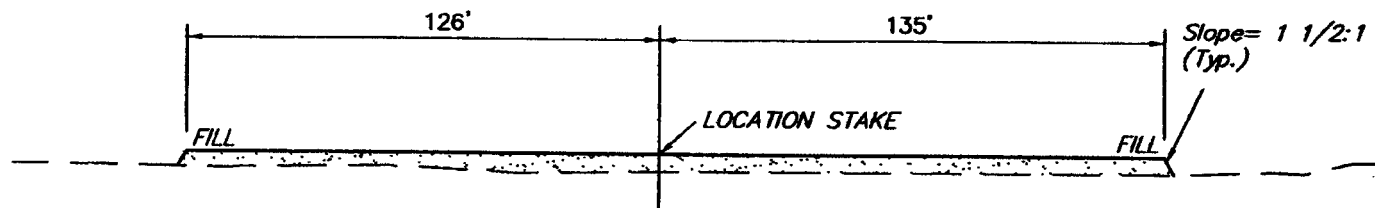
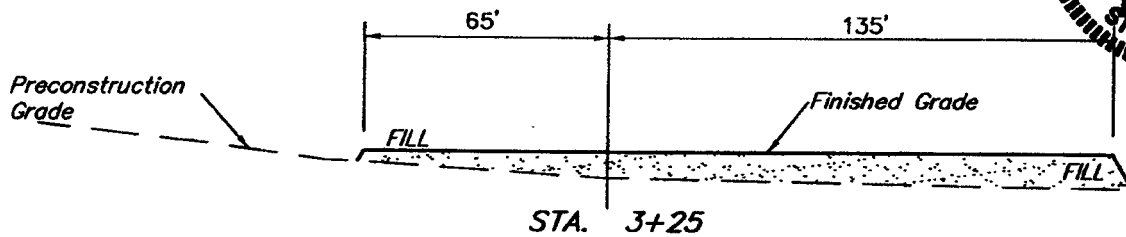
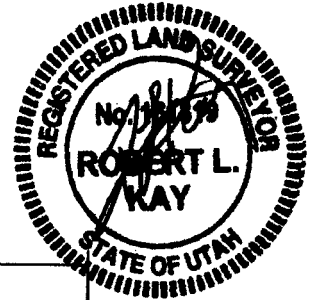
FIGURE #2

## TYPICAL CROSS SECTIONS FOR

EAST CHAPITA #70-4  
SECTION 4, T9S, R23E, S.L.B.&M.  
501' FNL 1790' FEL



DATE: 11-17-06  
Drawn By: C.H.



\* NOTE:  
FILL QUANTITY INCLUDES  
5% FOR COMPACTION

### APPROXIMATE YARDAGES

CUT	
(6") Topsoil Stripping	= 1,630 Cu. Yds.
Remaining Location	= 7,180 Cu. Yds.
<b>TOTAL CUT</b>	<b>= 8,810 CU.YDS.</b>
<b>FILL</b>	<b>= 5,520 CU.YDS.</b>

EXCESS MATERIAL	= 3,290 Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.)	= 3,290 Cu. Yds.
EXCESS UNBALANCE (After Interim Rehabilitation)	= 0 Cu. Yds.

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EOG RESOURCES, INC.

PRODUCTION FACILITY LAYOUT FOR

EAST CHAPITA #70-4

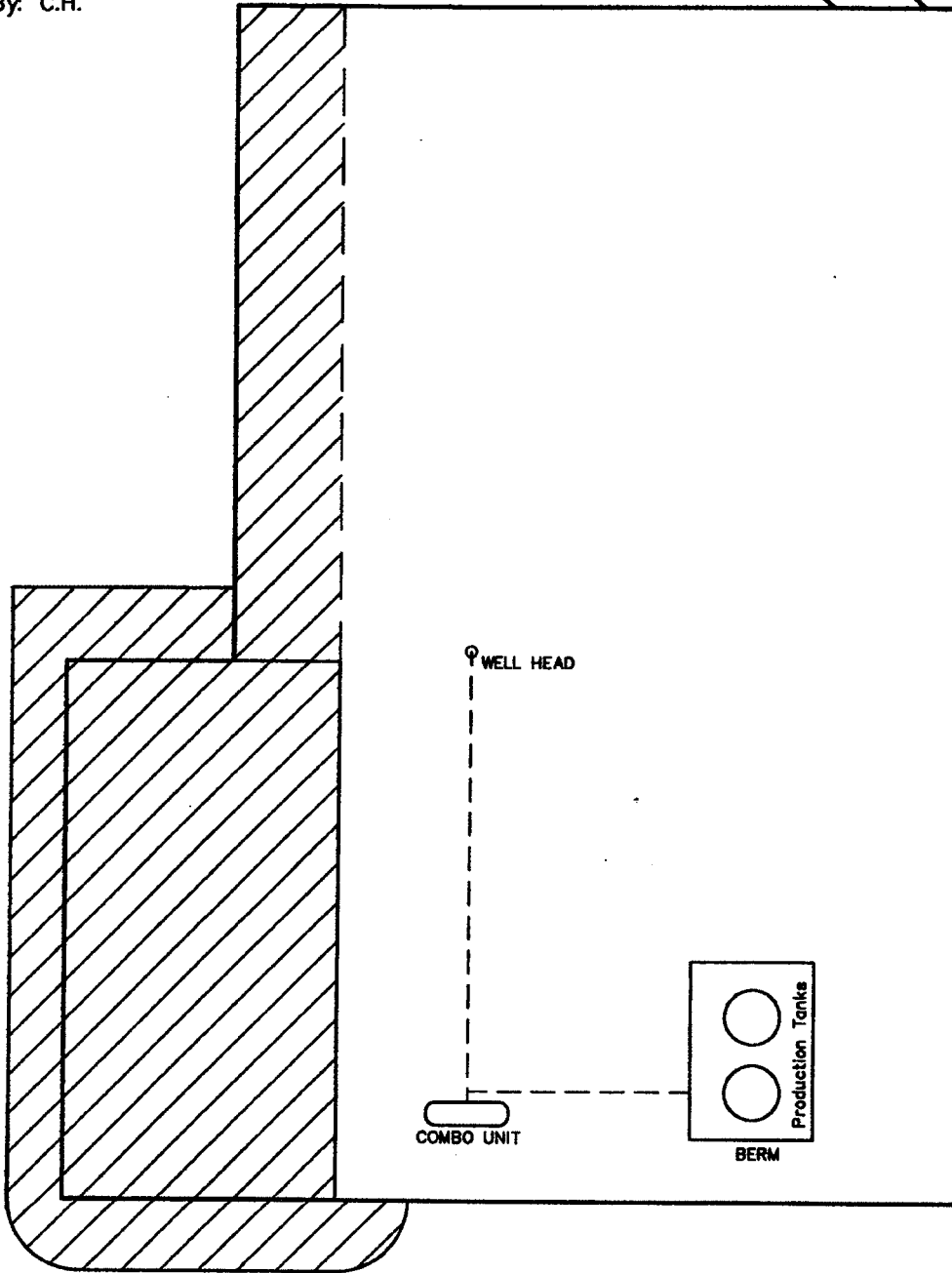
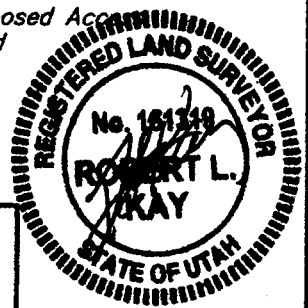
SECTION 4, T9S, R23E, S.L.B.&M.

501' FNL 1790' FEL



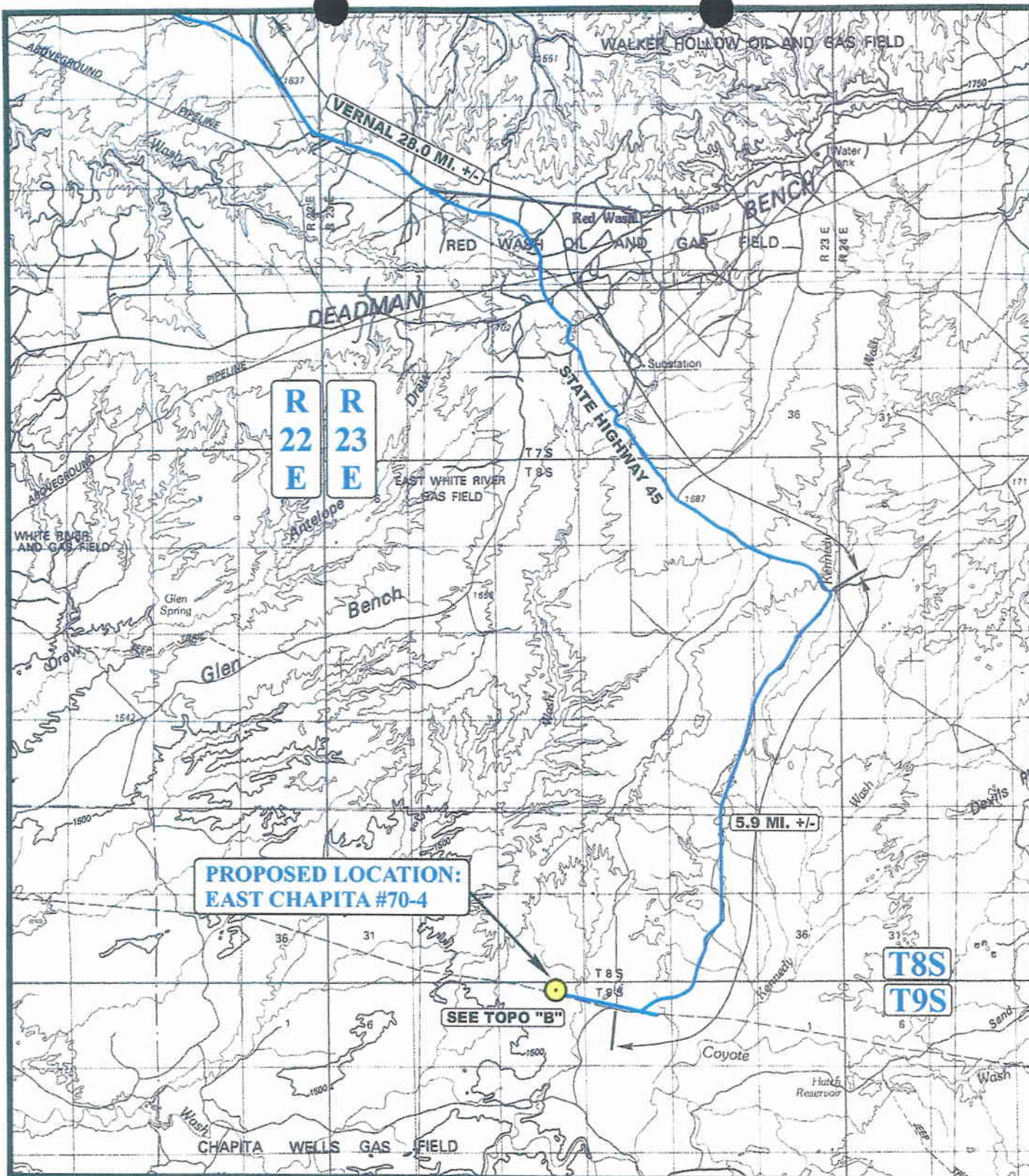
SCALE: 1" = 50'  
DATE: 11-17-06  
Drawn By: C.H.

Proposed Access  
Road



RE-HABED AREA

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# LEGEND:

 EXISTING LOCATION

EOG RESOURCES, INC.

**EAST CHAPITA #70-4**  
**SECTION 4, T9S, R23E, S.L.B.&M.**  
**501' FNL 1790' FEL**



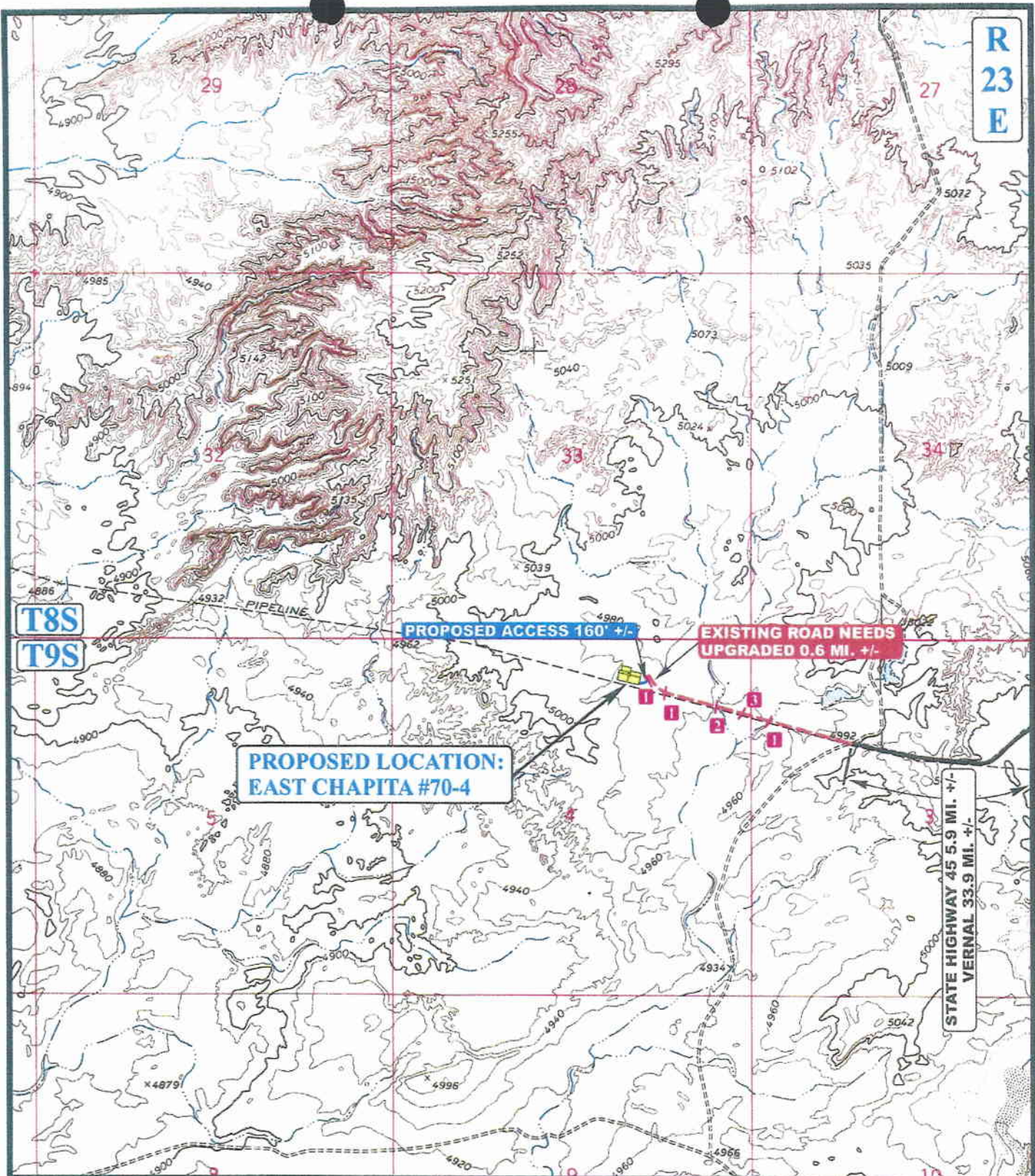
**Uintah Engineering & Land Surveying**  
 85 South 200 East Vernal, Utah 84078  
 (435) 789-1017 \* FAX (435) 789-1813



**TOPOGRAPHIC** **11** **16** **06**  
**MAP** MONTH DAY YEAR  
 SCALE: 1:100,000 DRAWN BY: L.K. REVISED: 00-00-00







# **LEGEND:**

- EXISTING ROAD
- - - PROPOSED ACCESS ROAD
- 1 18" CMP REQUIRED
- 2 24" CMP REQUIRED
- 3 LOW WATER CROSSING REQUIRED



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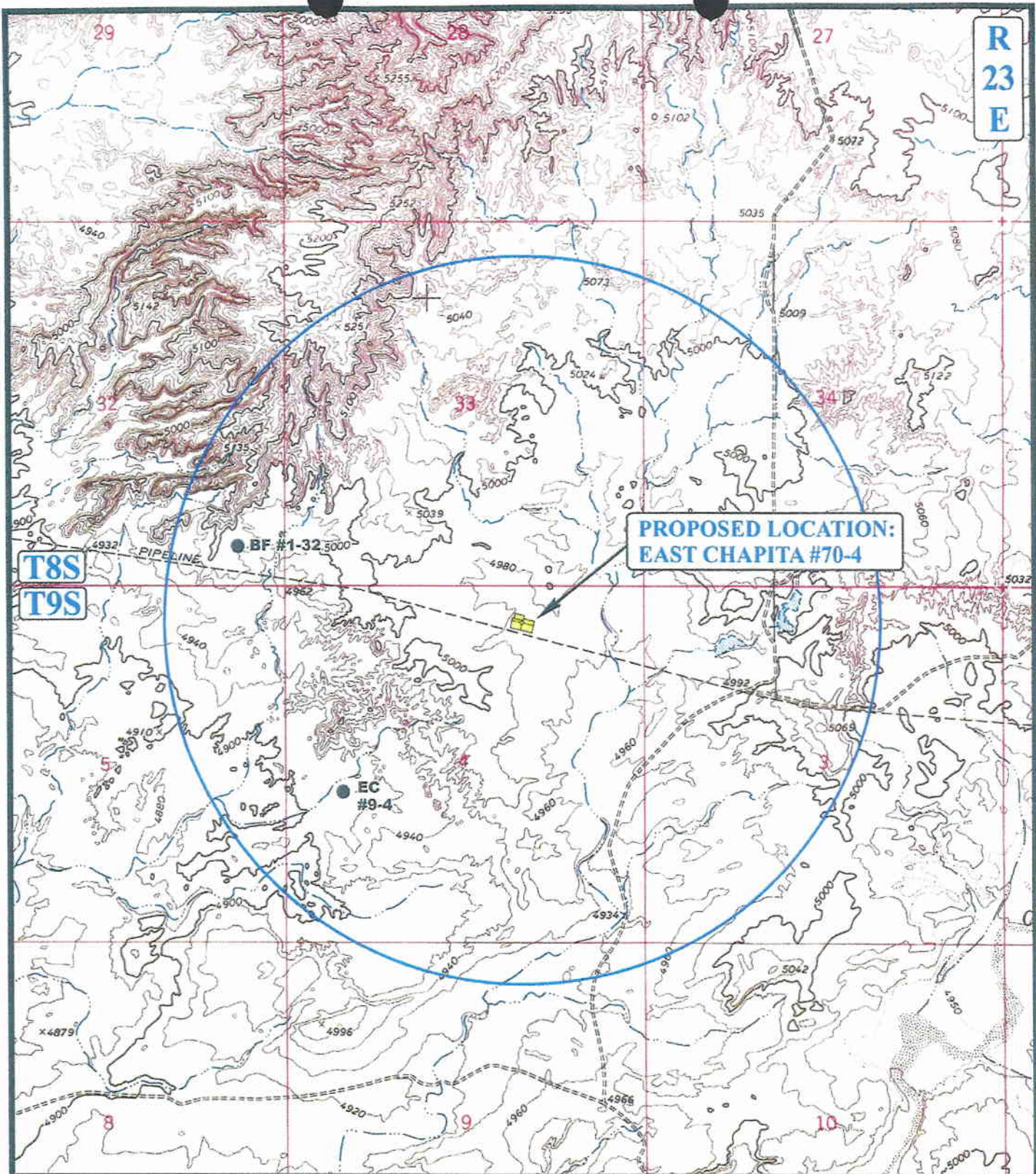
**EOG RESOURCES, INC.**

**EAST CHAPITA #70-4**  
**SECTION 4, T9S, R23E, S.L.B.&M.**  
**501' FNL 1790' FEL**

**TOPOGRAPHIC MAP**  
SCALE: 1" = 2000' DRAWN BY: L.K. REVISED: 00-00-00

**B**  
**TOPO**





# LEGEND:

- DISPOSAL WELLS
- PRODUCING WELLS
- SHUT IN WELLS
- WATER WELLS
- ABANDONED WELLS
- TEMPORARILY ABANDONED



## EOG RESOURCES, INC.

EAST CHAPITA #70-4  
SECTION 4, T9S, R23E, S.L.B.&M.  
501' FNL 1790' FEL



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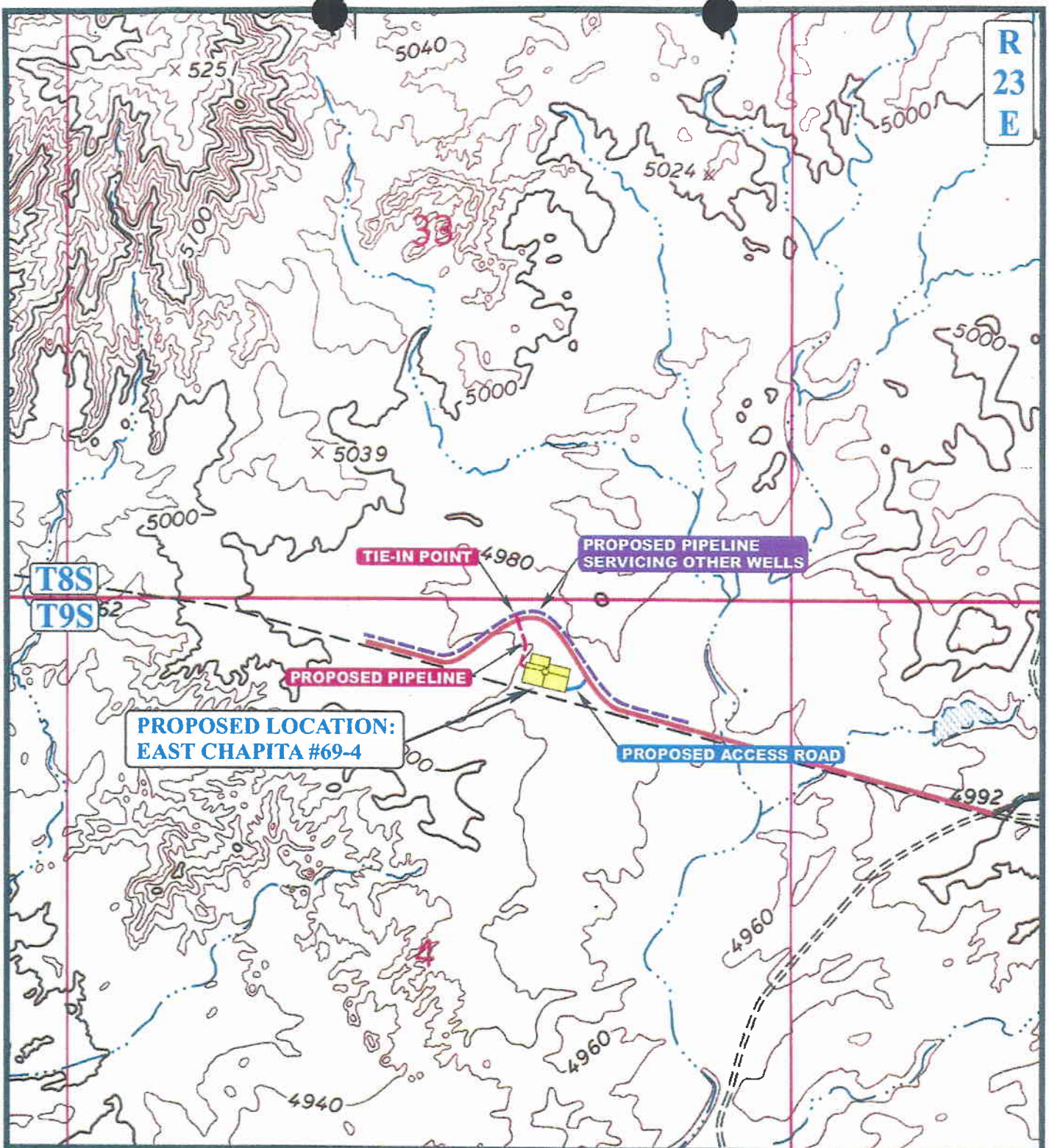
TOPOGRAPHIC  
MAP

11 16 06  
MONTH DAY YEAR

SCALE: 1" = 2000' DRAWN BY: L.K. REVISED: 00-00-00







**APPROXIMATE TOTAL PIPELINE DISTANCE = 422' +/-**

**LEGEND:**

- PROPOSED ACCESS ROAD
- EXISTING PIPELINE
- PROPOSED PIPELINE
- - - - PROPOSED PIPELINE (SERVICING OTHER WELLS)

**N**

**EOG RESOURCES, INC.**

**EAST CHAPITA #70-4**  
**SECTION 4, T9S, R23E, S.L.B.&M.**  
**501' FNL 1790' FEL**



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**TOPOGRAPHIC** **11** **16** **06**  
**MAP** MONTH DAY YEAR

SCALE: 1" = 1000' DRAWN BY: L.K. REVISED: 00-00-00

**D**  
**TOPO**

**WORKSHEET**  
**APPLICATION FOR PERMIT TO DRILL**

APD RECEIVED: 04/27/2007

API NO. ASSIGNED: 43-047-39275

WELL NAME: E CHAPITA 70-04

OPERATOR: EOG RESOURCES INC ( N9550 )

PHONE NUMBER: 435-789-0790

CONTACT: KAYLENE GARDNER

PROPOSED LOCATION:

NWNE 04 090S 230E

SURFACE: 0501 FNL 1790 FEL

BOTTOM: 0501 FNL 1790 FEL

COUNTY: UINTAH

LATITUDE: 40.07063 LONGITUDE: -109.3283

UTM SURF EASTINGS: 642554 NORTHINGS: 4436725

FIELD NAME: NATURAL BUTTES ( 630 )

INSPECT LOCATN BY: / /		
Tech Review	Initials	Date
Engineering	DKD	5/16/07
Geology		
Surface		

LEASE TYPE: 1 - Federal

LEASE NUMBER: U-01304

SURFACE OWNER: 1 - Federal

PROPOSED FORMATION: WSMVD

COALBED METHANE WELL? NO

RECEIVED AND/OR REVIEWED:

☒ Plat  
☒ Bond: Fed[1] Ind[] Sta[] Fee[]  
(No. NM 2308 )  
☒ Potash (Y/N)  
☒ Oil Shale 190-5 (B) or 190-3 or 190-13  
☒ Water Permit  
(No. 49-225 )  
☒ RDCC Review (Y/N)  
(Date: )  
☒ Fee Surf Agreement (Y/N)  
☒ Intent to Commingle (Y/N)  
(wasatch, mesaverde)

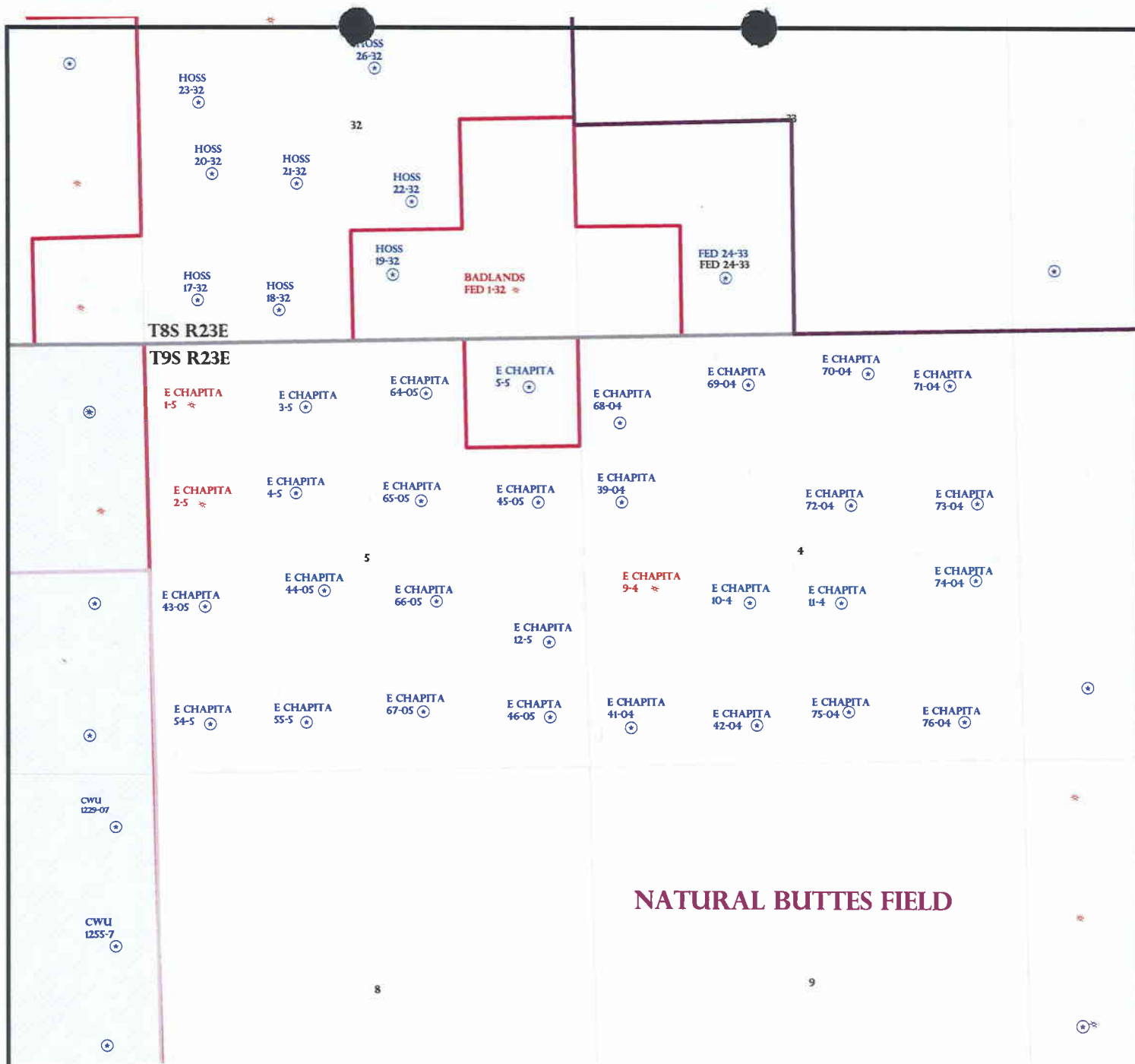
LOCATION AND SITING:

☐ R649-2-3.  
Unit: \_\_\_\_\_  
☒ R649-3-2. General  
Siting: 460 From Qtr/Qtr & 920' Between Wells  
☐ R649-3-3. Exception  
☐ Drilling Unit  
Board Cause No: \_\_\_\_\_  
Eff Date: \_\_\_\_\_  
Siting: \_\_\_\_\_  
☐ R649-3-11. Directional Drill

COMMENTS: \_\_\_\_\_

STIPULATIONS: \_\_\_\_\_

1- Federal Approval  
2- Spacing Slip  
3- Commingle



## NATURAL BUTTES FIELD

OPERATOR: EOG RESOURCES INC (N9550)

SEC: 4,5 T.9S R. 23E

FIELD: NATURAL BUTTES (630)

COUNTY: UINTAH

SPACING: R649-3-2 / GENERAL SITING

**Field Status**

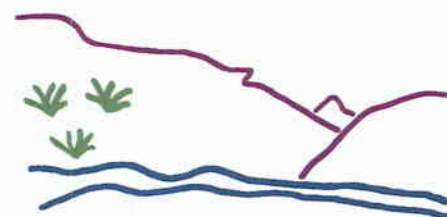
- ABANDONED
- ACTIVE
- COMBINED
- INACTIVE
- PROPOSED
- STORAGE
- TERMINATED

**Unit Status**

- EXPLORATORY
- GAS STORAGE
- NF PP OIL
- NF SECONDARY
- PENDING
- PI OIL
- PP GAS
- PP GEOTHERML
- PP OIL
- SECONDARY
- TERMINATED

**Wells Status**

- GAS INJECTION
- GAS STORAGE
- LOCATION ABANDONED
- NEW LOCATION
- PLUGGED & ABANDONED
- PRODUCING GAS
- PRODUCING OIL
- SHUT-IN GAS
- SHUT-IN OIL
- TEMP. ABANDONED
- TEST WELL
- WATER INJECTION
- WATER SUPPLY
- WATER DISPOSAL
- DRILLING



Utah Oil Gas and Mining



PREPARED BY: DIANA MASON  
DATE: 3-MAY-2007



**State of Utah**

**Department of  
Natural Resources**

MICHAEL R. STYLER  
*Executive Director*

**Division of  
Oil, Gas & Mining**

JOHN R. BAZA  
*Division Director*

JON M. HUNTSMAN, JR.  
*Governor*

GARY R. HERBERT  
*Lieutenant Governor*

May 16, 2007

EOG Resources, Inc.  
1060 East Highway 40  
Vernal, UT 84078

Re: East Chapita 70-04 Well, 501' FNL, 1790' FEL, NW NE, Sec. 4, T. 9 South,  
R. 23 East, Uintah County, Utah

Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann. § 40-6-1 *et seq.*, Utah Administrative Code R649-3-1 *et seq.*, and the attached Conditions of Approval, approval to drill the referenced well is granted.

Administrative approval for commingling the production from the Wasatch formation and the Mesaverde formation in this well is hereby granted. Appropriate information has been submitted to DOGM in accordance with R649-3-22. No written objections from owners were received by DOGM.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-39275.

Sincerely,

Gil Hunt  
Associate Director

pab  
Enclosures

cc: Uintah County Assessor  
Bureau of Land Management, Vernal Office



**Operator:** EOG Resources, Inc.  
**Well Name & Number** East Chapita 70-04  
**API Number:** 43-047-39275  
**Lease:** U-01304

**Location:** NW NE                      **Sec.** 4                      **T.** 9 South                      **R.** 23 East

### **Conditions of Approval**

**1. General**

Compliance with the requirements of Utah Admin. R. 649-1 *et seq.*, the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

**2. Notification Requirements**

Notify the Division with 24 hours of spudding the well.

- Contact Carol Daniels at (801) 538-5284

Notify the Division prior to commencing operations to plug and abandon the well.

- Contact Dustin Doucet at (801) 538-5281

**3. Reporting Requirements**

All required reports, forms and submittals will be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

**4. State approval of this well does not supersede the required federal approval, which must be obtained prior to drilling.**

**5 This proposed well is located in an area for which drilling units (well spacing patterns) have not been established through an order of the Board of Oil, Gas and Mining (the "Board"). In order to avoid the possibility of waste or injury to correlative rights, the operator is requested, once the well has been drilled, completed, and has produced, to analyze geological and engineering data generated therefrom, as well as any similar data from surrounding areas if available. As soon as is practicable after completion of its analysis, and if the analysis suggests an area larger than the quarter-quarter section upon which the well is located is being drained, the operator is requested to seek an appropriate order from the Board establishing drilling and spacing units in conformance with such analysis by filing a Request for Agency Action with the Board.**

STATE OF UTAH  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER: <b>U-01304</b>
2. NAME OF OPERATOR: <b>EOG Resources, Inc.</b>		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
3. ADDRESS OF OPERATOR: 1060 East Highway 40 CITY: <b>Vernal</b> STATE: <b>UT</b> ZIP: <b>84078</b>		7. UNIT or CA AGREEMENT NAME:
4. LOCATION OF WELL FOOTAGES AT SURFACE: <b>501' FNL &amp; 1790' FEL 40.070606 LAT 109.329039 LON</b>		8. WELL NAME and NUMBER: <b>East Chapita 70-04</b>
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: <b>NWNE 4 9S 23E S.L.B. &amp; M.</b>		9. API NUMBER: <b>43-047-39275</b>
COUNTY: <b>UINTAH</b>		10. FIELD AND POOL, OR WILDCAT: <b>Natural Buttes/Mesaverde</b>
STATE: <b>UTAH</b>		

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: <b>APD EXTENSION REQUEST</b>
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

EOG Resources, Inc. respectfully requests the APD for the referenced well be extended for one year.

Approved by the  
Utah Division of  
Oil, Gas and Mining

COPY SENT TO OPERATOR

Date: 6.4.2008

Initials: KS

Date: 06-02-08  
By: [Signature]

NAME (PLEASE PRINT) <u>Kaylene R. Gardner</u>	TITLE <u>Lead Regulatory Assistant</u>
SIGNATURE <u>[Signature]</u>	DATE <u>5/19/2008</u>

(This space for State use only)

RECEIVED  
JUN 02 2008

DIV. OF OIL, GAS & MINING

**Application for Permit to Drill  
Request for Permit Extension  
Validation**

(this form should accompany the Sundry Notice requesting permit extension)

**API:** 43-047-39275  
**Well Name:** East Chapita 70-04  
**Location:** 501 FNL - 1790 FEL (NWNE), Section 4, T9S, R23E S.L.B.&M.  
**Company Permit Issued to:** EOG Resources, Inc.  
**Date Original Permit Issued:** 5/16/2007

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision.

Following is a checklist of some items related to the application, which should be verified.

If located on private land, has the ownership changed, if so, has the surface agreement been updated? Yes ☐ No ☐

Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location? Yes ☐ No ☒

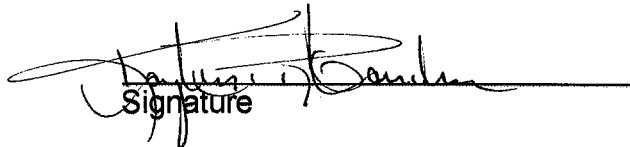
Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? Yes ☐ No ☒

Have there been any changes to the access route including ownership, or right-of-way, which could affect the proposed location? Yes ☐ No ☒

Has the approved source of water for drilling changed? Yes ☐ No ☒

Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation? Yes ☐ No ☒

Is bonding still in place, which covers this proposed well? Yes ☒ No ☐

  
Signature

5/19/2008

Date

Title: Lead Regulatory Assistant

Representing: EOG Resources, Inc.

RECEIVED

JUN 02 2008

DIV. OF OIL, GAS & MINING

RECEIVED  
VERNAL FIELD OFFICE

FORM APPROVED  
OMB No. 1004-0137  
Expires March 31, 2007

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

2007 APR 25 PM 4:19


APPLICATION FOR PERMIT TO DRILL OR REENTER

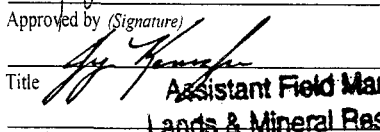
1a. Type of work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		7. If Unit or CA Agreement, Name and No.
1b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/> Single Zone <input checked="" type="checkbox"/> Multiple Zone		8. Lease Name and Well No. EAST CHAPITA 70-04
2. Name of Operator EOG RESOURCES, INC.		9. API Well No. 43 0A7 39275
3a. Address P.O. Box 1815 Vernal Ut 84078	3b. Phone No. (include area code) 435-789-0790	10. Field and Pool, or Exploratory Natural Buttes/Mesaverde/Wasatch
4. Location of Well (Report location clearly and in accordance with any State requirements.) At surface 501 FNL & 1790 FEL Lot 2 (NWNE) 40.070606 LAT 109.329039 LON At proposed prod. zone SAME		11. Sec., T. R. M. or Blk. and Survey or Area Section 4, T9S, R23E S.L.B&M
14. Distance in miles and direction from nearest town or post office* 34.5 Miles South of Vernal, UT		12. County or Parish Uintah
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 501 Lease Line 470 Drilling Line		16. No. of acres in lease 2451
17. Spacing Unit dedicated to this well 40		18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. 2790
19. Proposed Depth 9450		20. BLM/BIA Bond No. on file NM 2308
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 4970 GL		22. Approximate date work will start* 45 Days
23. Estimated duration 45 Days		

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No.1, must be attached to this form:

1. Well plat certified by a registered surveyor.
2. A Drilling Plan.
3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO must be filed with the appropriate Forest Service Office).
4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
5. Operator certification
6. Such other site specific information and/or plans as may be required by the BLM.

25. Signature 	Name (Printed Typed) Kaylene R. Gardner	Date 04/24/2007
--	--	--------------------

Approved by (Signature) 	Name (Printed Typed) JERRY NEWCOMB	Date 6-5-2008
Title Assistant Field Manager Lands & Mineral Resources	Office VERNAL FIELD OFFICE	

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.  
Conditions of approval, if any, are attached.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

\*(Instructions on page 2)

CONDITIONS OF APPROVAL ATTACHED

NOTICE OF APPROVAL

RECEIVED

JUN 06 2008

DIV. OF OIL, GAS & MINING

005 3/1/07  
07PP 1400A



UNITED STATES DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT  
VERNAL FIELD OFFICE

170 South 500 East

VERNAL, UT 84078

(435) 781-4400



**CONDITIONS OF APPROVAL FOR APPLICATION FOR PERMIT TO DRILL**

Company: E.O.G. Resources Inc.  
Well No: East Chapita 70-04  
API No: 43-047-39275

Location: Lot 2, Sec. 4, T9S, R23E  
Lease No: UTU-01304  
Agreement: N/A

Title	Name	Office Phone Number	Cell Phone Number
Petroleum Engineer:	Matt Baker	(435) 781-4490	(435) 828-4470
Petroleum Engineer:	Michael Lee	(435) 781-4432	(435) 828-7875
Petroleum Engineer:	James Ashley	(435) 781-4470	(435) 828-7874
Petroleum Engineer:	Ryan Angus	(435) 781-4430	(435) 828-7368
Supervisory Petroleum Technician:	Jamie Sparger	(435) 781-4502	(435) 828-3913
NRS/Enviro Scientist:		(435) 781-4475	(435) 828-4029
NRS/Enviro Scientist:	Karl Wright	(435) 781-4484	(435) 828-7381
NRS/Enviro Scientist:	Holly Villa	(435) 781-4404	(435) 828-3544
NRS/Enviro Scientist:		(435) 781-4476	
NRS/Enviro Scientist:	Chuck Macdonald	(435) 781-4441	(435) 828-7482
NRS/Enviro Scientist:		(435) 781-3400	(435) 828-3544
NRS/Enviro Scientist:	Michael Cutler	(435) 781-3401	(435) 828-3546
NRS/Enviro Scientist:	Anna Figueroa	(435) 781-3407	(435) 828-3548
NRS/Enviro Scientist:	Verlyn Pindell	(435) 781-3402	(435) 828-3547
NRS/Enviro Scientist:	Darren Williams	(435) 781-4447	(435) 828-4029
NRS/Enviro Scientist:	Nathan Packer	(435) 781-3405	(435) 828-3545

Fax: (435) 781-3420

**A COPY OF THESE CONDITIONS SHALL BE FURNISHED TO YOUR  
FIELD REPRESENTATIVE TO INSURE COMPLIANCE**

All lease and/or unit operations are to be conducted in such a manner that full compliance is made with the applicable laws, regulations (43 CFR Part 3160), and this approved Application for Permit to Drill including Surface and Downhole Conditions of Approval. The operator is considered fully responsible for the actions of his subcontractors. A copy of the approved APD must be on location during construction, drilling, and completion operations. **This permit is approved for a two (2) year period, or until lease expiration, whichever occurs first. An additional extension, up to two (2) years, may be applied for by sundry notice prior to expiration.**

**NOTIFICATION REQUIREMENTS**

Location Construction (Notify Environmental Scientist)	-	Forty-Eight (48) hours prior to construction of location and access roads.
Location Completion (Notify Environmental Scientist)	-	Prior to moving on the drilling rig.
Spud Notice (Notify Petroleum Engineer)	-	Twenty-Four (24) hours prior to spudding the well.
Casing String & Cementing (Notify Supv. Petroleum Tech.)	-	Twenty-Four (24) hours prior to running casing and cementing all casing strings.
BOP & Related Equipment Tests (Notify Supv. Petroleum Tech.)	-	Twenty-Four (24) hours prior to initiating pressure tests.
First Production Notice (Notify Petroleum Engineer)	-	Within Five (5) business days after new well begins or production resumes after well has been off production for more than ninety (90) days.

***SURFACE USE PROGRAM  
CONDITIONS OF APPROVAL (COAs)***

- If there is an active Gilsonite mining operation within 2 miles of the well location, operator shall notify the Gilsonite operator at least 48 hours prior to any blasting during construction.
- If paleontological materials are uncovered during construction, the operator is to immediately stop work and contact the Authorized Officer (AO). A determination will be made by the AO as to what mitigation may be necessary for the discovered paleontologic material before construction can continue.
- Bury pipeline at all low water crossings.
- Permission from an authorized BLM representative would be required if construction or other operations occur during wet conditions that would lead to excessive rutting.
- Permission to clear all wildlife stipulations would only be approved by the BLM wildlife biologist during the specific timing for the species potentially affected by this action.
- Culverts and gravel may be installed as needed.
- No construction or drilling will be permitted from 4/1 to 8/15 in order to protect burrowing owl habitat.
- No construction or drilling will be permitted from 5/15 to June 20 in order to protect the pronghorn during the kidding season.

## **DOWNHOLE PROGRAM**

### **CONDITIONS OF APPROVAL (COAs)**

#### **SITE SPECIFIC DOWNHOLE COAs:**

- A formation integrity test shall be performed after drilling twenty feet or less below the surface casing shoe.
- The top of the production casing cement shall extend a minimum of 200 feet above the surface casing shoe.
  - Variance Granted: 75 foot long blooie line approved.

#### **Commingling:**

- Downhole commingling for the Wasatch-Mesaverde formations is approved. This approval can be rescinded at any time the Authorized Officer determines the commingling to be detrimental to the interest of the United States.

**All provisions outlined in Onshore Oil & Gas Order #2 Drilling Operations shall be strictly adhered to.** The following items are emphasized:

#### **DRILLING/COMPLETION/PRODUCING OPERATING STANDARDS**

- The spud date and time shall be reported orally to Vernal Field Office within 24 hours of spudding.
- Notify Vernal Field Office Supervisory Petroleum Engineering Technician at least 24 hours in advance of casing cementing operations and BOPE & casing pressure tests.
- All requirements listed in Onshore Order #2 III. E. Special Drilling Operations are applicable for air drilling of surface hole.
- Blowout prevention equipment (BOPE) shall remain in use until the well is completed or abandoned. Closing unit controls shall remain unobstructed and readily accessible at all times. Choke manifolds shall be located outside of the rig substructure.
- All BOPE components shall be inspected daily and those inspections shall be recorded in the daily drilling report. Components shall be operated and tested as required by Onshore Oil & Gas Order No. 2 to insure good mechanical working order. All BOPE pressure tests shall be performed by a test pump with a chart recorder and **NOT** by the rig pumps. Test shall be reported in the driller's log.
- BOP drills shall be initially conducted by each drilling crew within 24 hours of drilling out from under the surface casing and weekly thereafter as specified in Onshore Oil & Gas Order No. 2.
- Casing pressure tests are required before drilling out from under all casing strings set and cemented in place.
- No aggressive/fresh hard-banded drill pipe shall be used within casing.
- **Cement baskets shall not be run on surface casing.**

- The operator must report all shows of water or water-bearing sands to the BLM. If flowing water is encountered it must be sampled, analyzed, and a copy of the analyses submitted to the BLM Vernal Field Office.
- The operator must report encounters of all non oil & gas mineral resources (such as Gilsonite, tar sands, oil shale, trona, etc.) to the Vernal Field Office, in writing, within 5 working days of each encounter. Each report shall include the well name/number, well location, date and depth (from KB or GL) of encounter, vertical footage of the encounter and, the name of the person making the report (along with a telephone number) should the BLM need to obtain additional information.
- A complete set of angular deviation and directional surveys of a directional well will be submitted to the Vernal BLM office engineer within 30 days of the completion of the well.
- While actively drilling, chronologic drilling progress reports shall be filed directly with the BLM, Vernal Field Office on a weekly basis in sundry, letter format or e-mail to the Petroleum Engineers until the well is completed.
- A cement bond log (CBL) will be run from the production casing shoe to the top of cement and shall be utilized to determine the bond quality for the production casing. Submit a field copy of the CBL to this office.
- **Please submit an electronic copy of all other logs run on this well in LAS format to UT\_VN\_Welllogs@BLM.gov. This submission will supersede the requirement for submittal of paper logs to the BLM.**
- There shall be no deviation from the proposed drilling, completion, and/or workover program as approved. Safe drilling and operating practices must be observed. Any changes in operation must have prior approval from the BLM Vernal Field Office.



## OPERATING REQUIREMENT REMINDERS:

- All wells, whether drilling, producing, suspended, or abandoned, shall be identified in accordance with 43 CFR 3162.6. There shall be a sign or marker with the name of the operator, lease serial number, well number, and surveyed description of the well.
- In accordance with 43 CFR 3162.4-3, this well shall be reported on the "Monthly Report of Operations" (Oil and Gas Operations Report ((OGOR)) starting with the month in which operations commence and continue each month until the well is physically plugged and abandoned. This report shall be filed in duplicate, directly with the Minerals Management Service, P.O. Box 17110, Denver, Colorado 80217-0110, or call 1-800-525-7922 (303) 231-3650 for reporting information.
- Should the well be successfully completed for production, the BLM Vernal Field office must be notified when it is placed in a producing status. Such notification will be by written communication and must be received in this office by not later than the fifth business day following the date on which the well is placed on production. The notification shall provide, as a minimum, the following informational items:
  - Operator name, address, and telephone number.
  - Well name and number.
  - Well location (¼, Sec., Twn, Rng, and P.M.).
  - Date well was placed in a producing status (date of first production for which royalty will be paid).
  - The nature of the well's production, (i.e., crude oil, or crude oil and casing head gas, or natural gas and entrained liquid hydrocarbons).
  - The Federal or Indian lease prefix and number on which the well is located; otherwise the non-Federal or non-Indian land category, i.e., State or private.
  - Unit agreement and/or participating area name and number, if applicable.
  - Communitization agreement number, if applicable.
- Any venting or flaring of gas shall be done in accordance with Notice to Lessees (NTL) 4A and needs prior approval from the BLM Vernal Field Office.
- All undesirable events (fires, accidents, blowouts, spills, discharges) as specified in NTL 3A will be reported to the BLM, Vernal Field Office. Major events, as defined in NTL3A, shall be reported verbally within 24 hours, followed by a written report within 15 days. "Other than Major Events" will be reported in writing within 15 days. "Minor Events" will be reported on the Monthly Report of Operations and Production.
- Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (BLM Form 3160-4) shall be submitted not later than 30 days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3162.4-1. Two copies of all logs run, core descriptions, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, shall be filed on BLM Form 3160-4. Submit with the well completion report a geologic report including, at a minimum, formation tops, and a summary and conclusions. Also include deviation surveys, sample descriptions, strip logs, core data, drill stem test data, and results of production tests if performed. Samples (cuttings, fluid,

and/or gas) shall be submitted only when requested by the BLM, Vernal Field Office.

- All off-lease storage, off-lease measurement, or commingling on-lease or off-lease, shall have prior written approval from the BLM Vernal Field Office.
- Oil and gas meters shall be calibrated in place prior to any deliveries. The BLM Vernal Field Office Petroleum Engineers will be provided with a date and time for the initial meter calibration and all future meter proving schedules. A copy of the meter calibration reports shall be submitted to the BLM Vernal Field Office. All measurement facilities will conform to the API standards for liquid hydrocarbons and the AGA standards for natural gas measurement. All measurement points shall be identified as the point of sale or allocation for royalty purposes.
- A schematic facilities diagram as required by Onshore Oil & Gas Order No. 3 shall be submitted to the BLM Vernal Field Office within 30 days of installation or first production, whichever occurs first. All site security regulations as specified in Onshore Oil & Gas Order No. 3 shall be adhered to. All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed in accordance with Onshore Oil & Gas Order No. 3.
- Any additional construction, reconstruction, or alterations of facilities, including roads, gathering lines, batteries, etc., which will result in the disturbance of new ground, shall require the filing of a suitable plan and need prior approval of the BLM Vernal Field Office. Emergency approval may be obtained orally, but such approval does not waive the written report requirement.
- No location shall be constructed or moved, no well shall be plugged, and no drilling or workover equipment shall be removed from a well to be placed in a suspended status without prior approval of the BLM Vernal Field Office. If operations are to be suspended for more than 30 days, prior approval of the BLM Vernal Field Office shall be obtained and notification given before resumption of operations.
- Pursuant to Onshore Oil & Gas Order No. 7, this is authorization for pit disposal of water produced from this well for a period of 90 days from the date of initial production. A permanent disposal method must be approved by this office and in operation prior to the end of this 90-day period. In order to meet this deadline, an application for the proposed permanent disposal method shall be submitted along with any necessary water analyses, as soon as possible, but no later than 45 days after the date of first production. Any method of disposal which has not been approved prior to the end of the authorized 90-day period will be considered as an Incident of Noncompliance and will be grounds for issuing a shut-in order until an acceptable manner for disposing of said water is provided and approved by this office.
- Unless the plugging is to take place immediately upon receipt of oral approval, the Field Office Petroleum Engineers must be notified at least 24 hours in advance of the plugging of the well, in order that a representative may witness plugging operations. If a well is suspended or abandoned, all pits must be fenced immediately until they are backfilled. The "Subsequent Report of Abandonment" (Form BLM 3160-5) must be submitted within 30 days after the actual plugging of the well bore, showing location of plugs, amount of cement in each, and amount of casing left in hole, and the current status of the surface restoration.

## DIVISION OF OIL, GAS AND MINING

### ***SPUDDING INFORMATION***

Name of Company: EOG RESOURCES INC

Well Name: E CHAPITA 70-04

Api No: 43-047-39275 Lease Type: FEDERAL

Section 04 Township 09S Range 23E County UINTAH

Drilling Contractor ROCKY MOUNTAIN DRLG RIG # RATHOLE

### **SPUDDED:**

Date 07/31/08

Time 4:30 PM

How DRY

***Drilling will Commence:*** \_\_\_\_\_

Reported by JERRY BARNES

Telephone # (435) 828-1720

Date 08/01/08 Signed CHD

STATE OF UTAH  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

FORM 6

**ENTITY ACTION FORM**

Operator: EOG RESOURCES  
Address: 1060 East Highway 40  
city VERNAL  
state UT zip 84078

Operator Account Number: N 9550

Phone Number: (435) 781-9145

**Well 1**

API Number	Well Name	QQ	Sec	Twp	Rng	County
43-047-39271	EAST CHAPITA 69-04	NENW	4	9S	23E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date	Entity Assignment Effective Date		
A	99999	17006	7/31/2008	8/14/08		
Comments: <u>WSMVB</u>						

**Well 2**

API Number	Well Name	QQ	Sec	Twp	Rng	County
43-047-39275	EAST CHAPITA 70-04	NWNE	4	9S	23E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date	Entity Assignment Effective Date		
A	99999	17007	7/31/2008	8/14/08		
Comments: <u>WSMVB</u>						

**Well 3**

API Number	Well Name	QQ	Sec	Twp	Rng	County
43-047-39438	EAST CHAPITA 78-23	NESW	23	9S	23E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date	Entity Assignment Effective Date		
A	99999	17008	8/1/2008	8/14/08		
Comments: <u>WSMVB</u>						

**ACTION CODES:**

- A - Establish new entity for new well (single well only)
- B - Add new well to existing entity (group or unit well)
- C - Re-assign well from one existing entity to another existing entity
- D - Re-assign well from one existing entity to a new entity
- E - Other (Explain in 'comments' section)

Mickenzie Thacker

Name (Please Print)

Mickenzie Thacker

Signature

Operations Clerk

7/31/2008

Title

Date

**RECEIVED**

**AUG 04 2008**

**DIV. OF OIL, GAS & MINING**

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENTFORM APPROVED  
OMB NO. 1004-0135  
Expires: July 31, 2010**SUNDRY NOTICES AND REPORTS ON WELLS**  
**Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.**5. Lease Serial No.  
UTU01304

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

**SUBMIT IN TRIPLICATE - Other instructions on reverse side.**8. Well Name and No.  
EAST CHAPITA 70-049. API Well No.  
43-047-3927510. Field and Pool, or Exploratory  
NATURAL BUTTES11. County or Parish, and State  
UINTAH COUNTY, UT

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

EOG RESOURCES, INC.

Contact: MICKENZIE THACKER

E-Mail: MICKENZIE\_THACKER@EOGRESOURCES.COM

3a. Address

1060 E HWY 40  
VERNAL, UT 84078

3b. Phone No. (include area code)

Ph: 435-781-9145

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

Sec 4 T9S R23E NWNE 501FNL 1790FEL  
40.07061 N Lat, 109.32904 W Lon

## 12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	Well Spud
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomple horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recomple in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

The referenced well was spud on 7/31/2008.

14. I hereby certify that the foregoing is true and correct.

**Electronic Submission #61980 verified by the BLM Well Information System  
For EOG RESOURCES, INC., sent to the Vernal**

Name (Printed/Typed) MICKENZIE THACKER

Title OPERATIONS CLERK

Signature

Date 08/04/2008

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved By

Title

Date

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

**RECEIVED****\*\* OPERATOR-SUBMITTED \*\* OPERATOR-SUBMITTED \*\* OPERATOR-SUBMITTED AUG 6 2008**

DIV. OF OIL, GAS &amp; MINING

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENTFORM APPROVED  
OMB NO. 1004-0135  
Expires: July 31, 2010**SUNDRY NOTICES AND REPORTS ON WELLS**  
**Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.**5. Lease Serial No.  
UTU01304

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1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other2. Name of Operator  
EOG RESOURCES, INC.Contact: MICKENZIE THACKER  
E-Mail: MICKENZIE\_THACKER@EOGRESOURCES.COM3a. Address  
1060 E. HWY 40  
VERNAL, UT 840783b. Phone No. (include area code)  
Ph: 435-781-9145

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

Sec 4 T9S R23E NWNE 501FNL 1790FEL  
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## 12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	Drilling Operations
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

Completion activity began on 9/24/2008.

14. I hereby certify that the foregoing is true and correct.

**Electronic Submission #63878 verified by the BLM Well Information System  
For EOG RESOURCES, INC., sent to the Vernal**

Name (Printed/Typed) MICKENZIE THACKER

Title OPERATIONS CLERK

Signature



Date 10/15/2008

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved By

Title

Date

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

**\*\* OPERATOR-SUBMITTED \*\* OPERATOR-SUBMITTED \*\* OPERATOR-SUBMITTED \*\*****RECEIVED****OCT 20 2008****DIV. OF OIL, GAS & MINING**

# WELL CHRONOLOGY REPORT

Report Generated On: 10-14-2008

<b>Well Name</b>	ECW 070-04	<b>Well Type</b>	DEVG	<b>Division</b>	DENVER
<b>Field</b>	CHAPITA DEEP	<b>API #</b>	43-047-39275	<b>Well Class</b>	COMP
<b>County, State</b>	UINTAH, UT	<b>Spud Date</b>	09-10-2008	<b>Class Date</b>	
<b>Tax Credit</b>	N	<b>TVD / MD</b>	9,450/ 9,450	<b>Property #</b>	060417
<b>Water Depth</b>	0	<b>Last CSG</b>	4.5	<b>Shoe TVD / MD</b>	9,441/ 9,441
<b>KB / GL Elev</b>	4,985/ 4,972				
<b>Location</b>	Section 4, T9S, R23E, NWNE, 501 FNL & 1790 FEL				

<b>Event No</b>	1.0	<b>Description</b>	DRILL & COMPLETE
<b>Operator</b>	EOG RESOURCES, INC	<b>WI %</b>	100.0
		<b>NRI %</b>	84.75

<b>AFE No</b>	304453	<b>AFE Total</b>	2,027,200	<b>DHC / CWC</b>	880,700/ 1,146,500
<b>Rig Contr</b>	TRUE	<b>Rig Name</b>	TRUE #26	<b>Start Date</b>	05-30-2007
<b>05-30-2007</b>	<b>Reported By</b>	SHARON CAUDILL			
<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$0	<b>Daily Total</b>	\$0
<b>Cum Costs: Drilling</b>	\$0	<b>Completion</b>	\$0	<b>Well Total</b>	\$0
<b>MD</b>	0	<b>TVD</b>	0	<b>Progress</b>	0
		<b>Days</b>	0	<b>MW</b>	0.0
		<b>Visc</b>	0.0		
<b>Formation :</b>	<b>PBTD : 0.0</b>		<b>Perf :</b>	<b>PKR Depth : 0.0</b>	

## Activity at Report Time: LOCATION DATA

Start	End	Hrs	Activity Description
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06:00	06:00	24.0	LOCATION DATA
			501' FNL & 1790' FEL, LOT 2 (NW/NE)
			SECTION 4, T9S, R23E
			UINTAH COUNTY, UTAH

LAT 40.070642, LONG 109.328358 (NAD 27)  
LAT 40.070606, LONG 109.329039 (NAD 83)

TRUE #26  
OBJECTIVE: 9450' TD, MESAVERDE  
DW/GAS  
EAST CHAPITA PROSPECT  
DD&A: CHAPITA DEEP  
NATURAL BUTTES FIELD

LEASE: U-01304  
ELEVATION: 4970.5' NAT GL, 4972.3' PREP GL (DUE TO ROUNDING THE PREP GL IS 4972'), 4985' KB (13')

EOG WI 100%, NRI 84.75%

07-23-2008	<b>Reported By</b>	TERRY CSERE
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<b>DailyCosts: Drilling</b>	\$38,000	<b>Completion</b>	\$0	<b>Daily Total</b>	\$38,000
<b>Cum Costs: Drilling</b>	\$38,000	<b>Completion</b>	\$0	<b>Well Total</b>	\$38,000
<b>MD</b>	0	<b>TVD</b>	0	<b>Progress</b>	0
<b>Days</b>	0	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation :</b>	<b>PBTD : 0.0</b>		<b>Perf :</b>	<b>PKR Depth : 0.0</b>	

Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	START LOCATION TODAY 7/23/08.

07-24-2008      Reported By      TERRY CSERE

<b>DailyCosts: Drilling</b>	\$0	<b>Completion</b>	\$0	<b>Daily Total</b>	\$0
<b>Cum Costs: Drilling</b>	\$38,000	<b>Completion</b>	\$0	<b>Well Total</b>	\$38,000
<b>MD</b>	0	<b>TVD</b>	0	<b>Progress</b>	0
<b>Days</b>	0	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation :</b>	<b>PBTD : 0.0</b>		<b>Perf :</b>	<b>PKR Depth : 0.0</b>	

Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LOCATION 10% COMPLETE.

07-25-2008      Reported By      TERRY CSERE

<b>DailyCosts: Drilling</b>	\$0	<b>Completion</b>	\$0	<b>Daily Total</b>	\$0
<b>Cum Costs: Drilling</b>	\$38,000	<b>Completion</b>	\$0	<b>Well Total</b>	\$38,000
<b>MD</b>	0	<b>TVD</b>	0	<b>Progress</b>	0
<b>Days</b>	0	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation :</b>	<b>PBTD : 0.0</b>		<b>Perf :</b>	<b>PKR Depth : 0.0</b>	

Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LOCATION 30% COMPLETE

07-28-2008      Reported By      TERRY CSERE

<b>DailyCosts: Drilling</b>	\$0	<b>Completion</b>	\$0	<b>Daily Total</b>	\$0
<b>Cum Costs: Drilling</b>	\$38,000	<b>Completion</b>	\$0	<b>Well Total</b>	\$38,000
<b>MD</b>	0	<b>TVD</b>	0	<b>Progress</b>	0
<b>Days</b>	0	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation :</b>	<b>PBTD : 0.0</b>		<b>Perf :</b>	<b>PKR Depth : 0.0</b>	

Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LOCATION 60% COMPLETE

07-29-2008      Reported By      TERRY CSERE

<b>DailyCosts: Drilling</b>	\$0	<b>Completion</b>	\$0	<b>Daily Total</b>	\$0
<b>Cum Costs: Drilling</b>	\$38,000	<b>Completion</b>	\$0	<b>Well Total</b>	\$38,000
<b>MD</b>	0	<b>TVD</b>	0	<b>Progress</b>	0
<b>Days</b>	0	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation :</b>	<b>PBTD : 0.0</b>		<b>Perf :</b>	<b>PKR Depth : 0.0</b>	

Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LINE TOMORROW

07-30-2008      Reported By      TERRY CSERE



<b>DailyCosts: Drilling</b>	\$0	<b>Completion</b>	\$0	<b>Daily Total</b>	\$0
<b>Cum Costs: Drilling</b>	\$38,000	<b>Completion</b>	\$0	<b>Well Total</b>	\$38,000
<b>MD</b>	0	<b>TVD</b>	0	<b>Progress</b>	0
<b>Days</b>	0	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation :</b>	<b>PBTD : 0.0</b>		<b>Perf :</b>	<b>PKR Depth : 0.0</b>	

Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LINE TOMORROW

07-31-2008 Reported By TERRY CSERE

<b>DailyCosts: Drilling</b>	\$0	<b>Completion</b>	\$0	<b>Daily Total</b>	\$0
<b>Cum Costs: Drilling</b>	\$38,000	<b>Completion</b>	\$0	<b>Well Total</b>	\$38,000
<b>MD</b>	0	<b>TVD</b>	0	<b>Progress</b>	0
<b>Days</b>	0	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation :</b>	<b>PBTD : 0.0</b>		<b>Perf :</b>	<b>PKR Depth : 0.0</b>	

Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LINE TOMORROW

08-01-2008 Reported By JERRY BARNES/TERRY CSERE

<b>DailyCosts: Drilling</b>	\$0	<b>Completion</b>	\$0	<b>Daily Total</b>	\$0
<b>Cum Costs: Drilling</b>	\$38,000	<b>Completion</b>	\$0	<b>Well Total</b>	\$38,000
<b>MD</b>	60	<b>TVD</b>	60	<b>Progress</b>	0
<b>Days</b>	0	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation :</b>	<b>PBTD : 0.0</b>		<b>Perf :</b>	<b>PKR Depth : 0.0</b>	

Activity at Report Time: BUILD LOCATION/WO AIR RIG

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LINE MONDAY. LOCATION COMPLETE. ROCKY MOUNTAIN DRILLING SPUD A 20" HOLE ON 07/31/08 @ 4:30 PM. SET 60' OF 14" CONDUCTOR. CEMENT TO SURFACE WITH READY MIX. JERRY BARNES NOTIFIED CAROL DANIELS W/UDOGM AND MICHAEL LEE W/BLM OF THE SPUD 07/31/08 @ 4:00 PM.

08-04-2008 Reported By TERRY CSERE

<b>DailyCosts: Drilling</b>	\$0	<b>Completion</b>	\$0	<b>Daily Total</b>	\$0
<b>Cum Costs: Drilling</b>	\$38,000	<b>Completion</b>	\$0	<b>Well Total</b>	\$38,000
<b>MD</b>	60	<b>TVD</b>	60	<b>Progress</b>	0
<b>Days</b>	0	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation :</b>	<b>PBTD : 0.0</b>		<b>Perf :</b>	<b>PKR Depth : 0.0</b>	

Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LINE TODAY

08-05-2008 Reported By TERRY CSERE

<b>DailyCosts: Drilling</b>	\$0	<b>Completion</b>	\$0	<b>Daily Total</b>	\$0
<b>Cum Costs: Drilling</b>	\$38,000	<b>Completion</b>	\$0	<b>Well Total</b>	\$38,000
<b>MD</b>	60	<b>TVD</b>	60	<b>Progress</b>	0
<b>Days</b>	0	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation :</b>	<b>PBTD : 0.0</b>		<b>Perf :</b>	<b>PKR Depth : 0.0</b>	

Activity at Report Time: WO AIR RIG

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LOCATION COMPLETE WO AIR RIG

09-08-2008 Reported By LESTER FARNSWORTH

DailyCosts: Drilling \$237,602 Completion \$0 Daily Total \$237,602

Cum Costs: Drilling \$275,602 Completion \$0 Well Total \$275,602

MD 2,488 TVD 2,488 Progress 0 Days 0 MW 0.0 Visc 0.0

Formation : PBTB : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: WORT

Start	End	Hrs	Activity Description
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06:00	06:00	24.0	MIRU CRAIGS AIR RIG #4 ON 9/1/2008. DRILLED 12-1/4" HOLE TO 2488' GL. ENCOUNTERED WATER @ 2040'. RAN 57 JTS (2458.52') OF 9-5/8", 36.0#, J-55, ST&C CASING WITH HALLIBURTON GUIDE SHOE AND FLOAT COLLAR. 8 CENTRALIZERS SPACED MIDDLE OF SHOE JOINT AND EVERY COLLAR TILL GONE. LANDED @ 2471' KB. RAN 200' OF 1" PIPE DOWN BACKSIDE. RDMO AIR RIG.
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MIRU HALLIBURTON CEMENTERS. HELD SAFETY MEETING. PRESSURE TESTED LINES AND CEMENT VALVE TO 2000 PSIG. PUMPED 190 BBLS FRESH WATER & 20 BBLS GELLED WATER FLUSH AHEAD OF CEMENT. MIXED & PUMPED 200 SX (146 BBLS) OF PREMIUM LEAD CEMENT W/0.2% VARASET, 2% CALSEAL, & 2% EX-1. MIXED LEAD CEMENT @ 10.5 PPG W/YIELD OF 4.10 CF/SX.

TAILED IN W/300 SX (63 BBLS) OF PREMIUM CEMENT W/2% CACL2. MIXED TAIL CEMENT @ 15.6 PPG W/YIELD OF 1.18 CF/SX. DISPLACED CEMENT W/ 187 BBLS FRESH WATER. BUMPED PLUG W/300# @ 11:22 AM, 9/4/2008. CHECKED FLOAT, FLOAT HELD. SHUT-IN CASING VALVE. BROKE CIRCULATION 14 BBLS INTO LEAD CEMENT. LOST CIRCULATION 150 BBLS INTO DISPLACEMENT. NO CEMENT TO SURFACE.

TOP JOB # 1: PUMPED DOWN 200' OF 1" PIPE. MIXED & PUMPED 120 SX (25 BBLS) OF PREMIUM CEMENT W/2% CACL2. MIXED CEMENT @ 15.8 PPG W/ YIELD OF 1.15 CF/SX. HOLE FILLED & CIRCULATED 7 BBLS INTO CEMENT. LOST RETURNS 21 BBLS INTO CEMENT. NO CEMENT TO SURFACE. WOC 4 HRS.

TOP JOB # 2: MIXED & PUMPED 50 SX (11 BBLS) OF PREMIUM CEMENT W/2% CACL2. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX. HOLE FILLED & STOOD FULL. RDMO HALLIBURTON CEMENTERS.

PREPARED LOCATION FOR ROTARY RIG. WORT. WILL DROP FROM REPORT UNTIL FURTHER ACTIVITY.

NO SURVEY AT THIS TIME.

CONDUCTOR LEVEL RECORD: PS= 90.0 OPS= 90.0 VDS= 89.9 MS= 90.0.

9 5/8 CASING LEVEL RECORD: PS= 89.9 OPS= 89.9 VDS= 90.0 MS= 90.0

LESTER FARNSWORTH NOTIFIED JAMIE SPARGER W/BLM OF THE SURFACE CASING & CEMENT JOB ON 9/3/2008 @ 8:00 AM.

09-10-2008 Reported By BENNY BLACKWELL

DailyCosts: Drilling \$28,974 Completion \$393 Daily Total \$29,367

Cum Costs: Drilling \$304,576 Completion \$393 Well Total \$304,969

MD 2,488 TVD 2,488 Progress 0 Days 0 MW 0.0 Visc 0.0

Formation : PBTB : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: TESTING BOPE

Start	End	Hrs	Activity Description
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06:00	12:00	6.0	RIG DOWN AND MOVE OFF OF LOCATION ECW 72-04.
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12:00	15:00	3.0	MOVE ONTO LOCATION ECW 70-04 - TRUCKS OFF OF LOCATION @ 15:00 HRS. DERRICK IN AIR BY 16:00 HRS.
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15:00 02:00 11.0 RIG UP AND PREPARE RIG TO DRILL 7.875 INCH HOLE – NIPPLE UP BOP'S. DAYRATE START AT 02:00 HRS, 9/10/08.

02:00 06:00 4.0 TEST BOPS – PIPE RAMS , BLIND RAMS , KILL LINE AND KILL LINE VALVES, CHOKE LINES AND MANIFOLD ,FLOOR VALVES , UPPER AND LOWER KELLY COCK , TO 250 PSI F/ 5 MIN., 5000 PSI FOR 10 MIN . TEST ANNULAR TO 250 PIS F/ 5 MIN, 2500 PSI FOR 10 MIN , TEST CSG TO 1500 PSI FOR 30 MIN.FUNCTION TEST ACCUMULATOR.

FULL CREWS: NO INCIDENTS.

SAFETY MEETINGS: RIG MOVE W/TRI-STATE (2), TEST BOP'S (1).

BOP DRILL: NONE.

OPERATED COM (1), WITNESSED (1).

FUEL REC'D: 0 GALS DIESEL.

FUEL ON HAND: 3590 GAL, FUEL USED: 563 GALS.

MUD WT: PPG, VIS: .

BG GAS: U, PEAK GAS: U @ ' , TRIP GAS: U.

FORMATION: GREEN RIVER @ : 2036' .

UNMANNED LOGGING UNIT – DAY 0.

ITEMS TRANSFERED FROM ECW 72-04 TO ECW 70-04

42.36' (1 JT), 4 1/2", 11.6#, HCP -110, LTC, R-3, GOOD

42.34' (1 JT), 4 1/2", 11.6#, HCP -110, LTC, R-3, BAD

127.02' (3 JTS) 4 1/2", 11.6#, N-80, LTC, R-3, GOOD

42.14' (1 JTS) 4 1/2", 11.6#, N-80, LTC, R-3, BAD

31.96' (2 PUPS) 4 1/2", 11.6#, HCP -110, LTC, GOOD

FUEL 3590 GAL. @ \$4.05718 PER GAL.

RIG MOVE FROM ECW 42.-04 TO ECW 72-04 = 1.5 MILES.

09-11-2008 Reported By BENNY BLACKWELL

DailyCosts: Drilling \$63,194 Completion \$0 Daily Total \$63,194

Cum Costs: Drilling \$367,770 Completion \$393 Well Total \$368,163

MD 4,411 TVD 4,411 Progress 1,923 Days 1 MW 8.5 Visc 27.0

Formation : PBTB : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: DRILLING @ 4411'

Start	End	Hrs	Activity Description
06:00	06:30	0.5	INSTALL WEAR BUSHING
06:30	10:00	3.5	RIG UP L/D CREW & EQUIP, HSM, P/U BHA & DRILL PIPE TO 2352'.
10:00	11:00	1.0	RIG DOWN L/D CREW, INSTALL ROT HEAD RUBBER.
11:00	11:30	0.5	SERVICE RIG – C/O SWIVEL PACKING.
11:30	12:30	1.0	DRILL CEMENT/FLOAT EQUIP + 10' OF NEW FORMATION TO 2531'.
12:30	13:00	0.5	CIRC FOR & PERFORM FIT – 100 PSI SURFACE PRESSURE W/ 8.4 PPG FLUID = 9.2 PPG EMW.
13:00	13:30	0.5	DRILL F/ 2531' – 2586', 12-20K WOB, 40-60 RPM @ TABLE, 1200 PSI @ 120 SPM = 420 GPM = 92 PRM F/ MOTOR, 110 FPH.
13:30	15:00	1.5	SURVEY @ 2511' – 1 DEG, SURVEY MACHINE FAILED – CRANK SURVEY OUT OF HOLE BY HAND.
15:00	06:00	15.0	DRILL F/ 2586' – 4411', 12-20K WOB, 40-60 RPM @ TABLE, 1200 PSI @ 120 SPM = 420 GPM = 92 PRM F/ MOTOR, 121.73 FPH.

FULL CREWS: NO INCIDENTS.

SAFETY MEETINGS: SURVEY (2), P/U DRILL STRING W/ WEATHERFORD(1).

BOP DRILL: EVENING TOUR (75), MORNING TOUR (80).

OPERATED COM (3), WITNESSED (1).

FUEL REC'D: 4000 GALS DIESEL.

FUEL ON HAND: 6358 GAL, FUEL USED: 709 GALS.

MUD WT: 8.8+, PPG, VIS: 30.

BG GAS: 250-300 U, PEAK GAS: 9282 U @ 3085', TRIP GAS: N/A U.

FORMATION: MAHOGONY OIL SHALE @ : 2682'.

UNMANNED LOGGING UNIT -- DAY 1.

06:00

SPUD 7 7/8" HOLE @ 13:00 HRS, 9/10/08.

09-12-2008 Reported By BENNY BLACKWELL

DailyCosts: Drilling \$33,385 Completion \$0 Daily Total \$33,385

Cum Costs: Drilling \$401,155 Completion \$393 Well Total \$401,548

MD 5,350 TVD 5,350 Progress 939 Days 2 MW 9.1 Visc 30.0

Formation : PBT D : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: DRILLING @ 5350'

Start	End	Hrs	Activity Description
06:00	08:30	2.5	DRILL F/ 4411' - 4612, 12-20K WOB, 40-60 RPM @ TABLE, 1200 PSI @ 120 SPM = 420 GPM = 92 PRM F/ MOTOR, 80.4 FPH - LOSS OF DRILL PIPE PRESSURE.
08:30	09:00	0.5	SERVICE RIG - DAILY RIG SERVICE - CHECK SURFACE LINES AND PUMP, CANNOT FIND REASON FOR LOST PRESSURE.
09:00	09:30	0.5	PUMP FLAG TO CHECK FOR HOLE IN DRILL STRING,
09:30	12:00	2.5	CHAIN OUT OF HOLE CHECKING FOR HOLE IN DRILL STRING - NO STRING FAILURE NOTED,
12:00	13:00	1.0	L/D REAMERS & MUD MOTOR - P/U NEW MOTOR.
13:00	15:00	2.0	RUN IN HOLE W/ BHA + 10 STDS, P/U KELLY AND CHECK DRILL PIPE PRESSURE - INSUFFICIENT PRESSURE.
15:00	16:00	1.0	POH TO MOTOR FOR INSUFFICIENT PRESSURE.
16:00	16:30	0.5	KELLY UP ON MUD MOTOR - STILL INSUFFICIENT DRILL PIPE PRESSURE - RECHECK SURFACE EQUIP - FOUND POP OFF ON #1 PUMP BLOWN AND 4" VALVE WASHED OUT (PUMP WAS CLOSED IN), OPEN 4" VALVE & RESET POP OFF TO GREATER PRESSURE SETTING.
16:30	18:00	1.5	RUN IN HOLE WBIT #1 & BHA #2 - NO HOLE PROBLEMS.
18:00	18:30	0.5	WASH & REAM 60' TO BOTTOM.
18:30	06:00	11.5	DRILL F/ 4612' - 5350', 12-20K WOB, 40-60 RPM @ TABLE, 1675 PSI @ 120 SPM = 420 GPM = 67 RPM F/ MOTOR, 64.17 FPH.

FULL CREWS: NO INCIDENTS.

SAFETY MEETINGS: TRIPPING (1), HIGH PRESSURE PUMPS (1), CLEANING RIG (1).

BOP DRILL: NONE.

OPERATED COM (5), WITNESSED (2).

FUEL REC'D: 4000 GALS DIESEL.

FUEL ON HAND: 5236 GAL, FUEL USED: 1122 GALS.

MUD WT: 9.6+, PPG, VIS: 34.

BG GAS: 65-75 U, PEAK GAS: 7077 U @ 4581', TRIP GAS: 9149 U.

FORMATION: WASATCH @ : 4654'.

MANNED LOGGING UNIT -- DAY 2.

09-13-2008 Reported By BENNY BLACKWELL

Daily Costs: Drilling \$33,546 Completion \$0 Daily Total \$33,546

Cum Costs: Drilling \$434,701 Completion \$393 Well Total \$435,094

MD 6,395 TVD 6,395 Progress 1,045 Days 3 MW 9.6 Visc 34.0

Formation : PBT D : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: DRILLING @ 6395'

Start	End	Hrs	Activity Description
06:00	13:00	7.0	DRILL F/ 5350' - 5738, 12-20K WOB, 40-60 RPM @ TABLE, 1900 PSI @ 120 SPM = 420 GPM = 67 RPM F/ MOTOR, 55.43 FPH.
13:00	13:30	0.5	SERVICE RIG - DAILY RIG SERVICE.
13:30	18:30	5.0	DRILL F/ 5738' - 6022', 12-20K WOB, 40-60 RPM @ TABLE, 1950 PSI @ 120 SPM = 420 GPM = 67 RPM F/ MOTOR, 59.8 FPH.
18:30	19:30	1.0	CIRC AND RUN WIRELINE SURVEY @ 5947' - 3 DEG.
19:30	06:00	10.5	DRILL F/ 6022' - 6395', 12-20K WOB, 40-60 RPM @ TABLE, 2025 PSI @ 120 SPM = 420 GPM = 67 RPM F/ MOTOR, 35.5 FPH.

FULL CREWS: NO INCIDENTS.

SAFETY MEETINGS: AIR TUGGERS (2), MUDDY CONDITIONS(1).

BOP DRILL: NONE.

OPERATED COM (3), WITNESSED (1).

FUEL REC'D: 0 GALS DIESEL.

FUEL ON HAND: 3815 GAL, FUEL USED: 1421 GALS.

MUD WT: 10.4+, PPG, VIS: 34.

BG GAS: 75-85 U, PEAK GAS: 1209 U @ 54174581', TRIP GAS: N/A U.

FORMATION: BUCK CANYON @ : 6176'.

MANNED LOGGING UNIT - DAY 3.

09-14-2008 Reported By BENNY BLACKWELL

Daily Costs: Drilling \$33,077 Completion \$0 Daily Total \$33,077

Cum Costs: Drilling \$467,779 Completion \$393 Well Total \$468,172

MD 7,295 TVD 7,295 Progress 900 Days 4 MW 10.4 Visc 34.0

Formation : PBT D : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: DRILLING @ 7295'

Start	End	Hrs	Activity Description
06:00	07:00	1.0	CIRC, MIX & PUMP PILL.
07:00	08:30	1.5	POH FOR BIT #2, HOLE TIGHT BETWEEN 4978' - 4523' - WORK W/ 30-50K OVER P/U WEIGHT, LOST RETURNS, 60 BBLS FROM TRIP TANK.
08:30	09:30	1.0	HOLE NOT RETURNING FLUID, PUMP 40BBLS RESERVE PIT FLUID DOWN BACK SIDE BEFORE FLUID RETURNS TO SURFACE.
09:30	12:00	2.5	CONT POH, FILLING W/RESERVE PIT FLUID, L/D MOTOR, BIT, P/U MOTOR & BIT #2.
12:00	14:00	2.0	RIH W/ BIT#2 TO 5771'.
14:00	15:00	1.0	PUMP LCM SWEEP AND BUILD 160 BBLS OF VOLUME.
15:00	15:30	0.5	RIH TO 6301 THEN WASH 94' TO BOTTOM.
15:30	20:00	4.5	DRILL F/ 6395' - 6753', 12-20K WOB, 40-60 RPM @ TABLE, 2025 PSI @ 114 SPM = 398 GPM = 63 RPM F/ MOTOR, 79.55 FPH.
20:00	20:30	0.5	SERVICE RIG - DAILY RIG SERVICE.

20:30 06:00 9.5 DRILL F/ 6753' - 7295', 12-20K WOB, 40-60 RPM @ TABLE, 2025 PSI @ 114 SPM = 398 GPM = 63 RPM F/ MOTOR, 57.05 FPH.

FULL CREWS: NO INCIDENTS.

SAFETY MEETINGS: TRIPPING (2), BUILDING VOLUME (1).

BOP DRILL: NONE.

OPERATED COM (5), WITNESSED (2).

FUEL REC'D: 0 GALS DIESEL.

FUEL ON HAND: 2767 GAL, FUEL USED: 1048 GALS.

MUD WT: 10.4+, PPG, VIS: 37.

BG GAS: 80-90 U, PEAK GAS: 7039 U @ 6393', TRIP GAS: 1580 U.

FORMATION: PRICE RIVER @ : 7248'.

MANNED LOGGING UNIT - DAY 4.

DAILY LOSSES: 450 BBLS

09-15-2008		Reported By		BENNY BLACKWELL							
DailyCosts: Drilling		\$56,019		Completion		\$0		Daily Total		\$56,019	
Cum Costs: Drilling		\$523,798		Completion		\$393		Well Total		\$524,191	
MD	8,054	TVD	8,054	Progress	759	Days	5	MW	10.5	Visc	36.0
Formation :		PBTD : 0.0				Perf :		PKR Depth : 0.0			
Activity at Report Time: TIH W/NEW BIT #4 @ 8,054'											

Start	End	Hrs	Activity Description
06:00	12:00	6.0	DRILL F/ 7295' - 7703', 12-20K WOB, 40-60 RPM @ TABLE, 2025 PSI @ 114 SPM = 398 GPM = 63 RPM F/ MOTOR, 68 FPH.
12:00	12:30	0.5	SERVICE RIG - DAILY RIG SERVICE.
12:30	20:30	8.0	DRILL F/ 7703' - 8054', 12-20K WOB, 40-60 RPM @ TABLE, 2025 PSI @ 114 SPM = 398 GPM = 63 RPM F/ MOTOR, 43.87 FPH (SLOW ROP F/LAST HOUR).
20:30	21:30	1.0	CIRC, MIX & PUMP WEIGHTED PILL.
21:30	22:00	0.5	PREPARE AND DROP SURVEY.
22:00	23:30	1.5	POH FOR BIT #3 (LOW ROP) - LOST RETURNS @ 2604 BIT DEPTH.
23:30	12:30	13.0	REFILL TRIP TANK W/ 40 BBLS MUD AND FILL HOLE - NO RETURNS, FILL TRIP TANK W/ 60 BBLS RESERVE PIT WATER AND FILL HOLE - PARTIAL RETURNS - TRIP TANK LEVEL DROPPED TO 28.60, REFILL TO 60 BBLS.
12:30	01:30	13.0	CONT TO POH FOR BIT #3, L/D BIT #2 AND MOTOR - SURVEY 1.75 DEG.
01:30	03:00	1.5	BUILD 225 BBLS VOLUME IN ACTIVE SYSTEM AND PREPARE LCM SWEEP.
03:00	06:00	3.0	P/U BIT #3 & MUD MOTOR & RIH.

FULL CREWS: NO INCIDENTS.

SAFETY MEETINGS: TRIPPING (1), PAINTING (1), PPE (1).

BOP DRILL: NONE.

OPERATED COM (5), WITNESSED (2).

FUEL REC'D: 4500 GALS DIESEL.

FUEL ON HAND: 6283 GAL, FUEL USED: 984 GALS.

MUD WT: 10.6+, PPG, VIS: 37.

BG GAS: 80-90 U, PEAK GAS: 4691 U @ 7673', TRIP GAS: N/A U.

FORMATION: PRICE RIVER @ : 7248'.

MANNED LOGGING UNIT - DAY 5.

09-16-2008      Reported By      BENNY BLACKWELL

DailyCosts: Drilling      \$73,812      Completion      \$0      Daily Total      \$73,812

Cum Costs: Drilling      \$597,611      Completion      \$393      Well Total      \$598,004

MD      8,800      TVD      8,800      Progress      746      Days      6      MW      10.3      Visc      32.0

Formation :      PBTB : 0.0      Perf :      PKR Depth : 0.0

Activity at Report Time: DRLG @ 8800'

Start	End	Hrs	Activity Description
06:00	08:00	2.0	CIRC LCM SWEEP & BUILD VOLUME (300 BBLs).
08:00	08:30	0.5	WASH & REAM 60' TO BOTTOM.
08:30	11:00	2.5	DRILL F/ 8054' - 8176', 12-20K WOB, 40-60 RPM @ TABLE, 2025 PSI @ 114 SPM = 398 GPM = 63 RPM F/ MOTOR, 48.8 FPH.
11:00	11:30	0.5	SERVICE RIG - DAILY RIG SERVICE.
11:30	06:00	18.5	DRILL F/8176' - 8800', 12-20K WOB, 40-60 RPM @ TABLE, 2025 PSI @ 118 SPM = 412 GPM = 66 RPM F/ MOTOR, 33.7 FPH.

FULL CREWS: NO INCIDENTS.

SAFETY MEETINGS: AWARENESS (2), MOUSEHOLING PIPE (1).

BOP DRILL: NONE.

OPERATED COM (3), WITNESSED (1).

FUEL REC'D: 0 GALS DIESEL.

FUEL ON HAND: 5086 GAL, FUEL USED: 1197 GALS.

MUD WT: 10.0+, PPG, VIS: 36.

BG GAS: 550-1000 U, PEAK GAS: 7189 U @ 8670', TRIP GAS: 1601 U.

FORMATION: PRICE RIVER MIDDLE @ : 8056'.

MANNED LOGGING UNIT - DAY 6.

09-17-2008      Reported By      BENNY BLACKWELL/KELLY SPOONTS

DailyCosts: Drilling      \$35,503      Completion      \$0      Daily Total      \$35,503

Cum Costs: Drilling      \$633,114      Completion      \$393      Well Total      \$633,507

MD      9,450      TVD      9,450      Progress      650      Days      7      MW      10.0      Visc      35.0

Formation :      PBTB : 0.0      Perf :      PKR Depth : 0.0

Activity at Report Time: SHORT TRIP F/ PRODUCTION CSG.

Start	End	Hrs	Activity Description
06:00	11:00	5.0	DRILL F/8800' - 8996', 12-20K WOB, 40-60 RPM @ TABLE, 2025 PSI @ 118 SPM = 412 GPM = 66 RPM F/ MOTOR, 35.63 FPH.
11:00	11:30	0.5	SERVICE RIG - DAILY RIG SERVICE.
11:30	04:30	17.0	DRILL F/8996' - 9450', 12-20K WOB, 40-60 RPM @ TABLE, 2025 PSI @ 118 SPM = 412 GPM = 66 RPM F/ MOTOR, 27 FPH. REACHED TD AT 04:30 HRS, 9/17/08.
04:30	06:00	1.5	CIRCULATE BTMS, MIX & PUMP PILL.

FULL CREWS: NO INCIDENTS.

SAFETY MEETINGS: MIXING CHEMICALS.

BOP DRILL: NONE.

OPERATED COM (3), WITNESSED (1).

FUEL REC'D: 0 GALS DIESEL.

FUEL ON HAND: 3740 GAL, FUEL USED: 1346 GALS.

MUD WT: 10.1, PPG, VIS: 34.

BG GAS: 550-1000 U, PEAK GAS: 7189 U @ 8670', TRIP GAS: 1601 U.

FORMATION: SEGO @ : 9,450'.

MANNED LOGGING UNIT - DAY 7.

<b>09-18-2008</b>	<b>Reported By</b>	KELLY SPOONTS									
<b>Daily Costs: Drilling</b>	\$35,869	<b>Completion</b>	\$228,898	<b>Daily Total</b>	\$264,767						
<b>Cum Costs: Drilling</b>	\$668,983	<b>Completion</b>	\$229,291	<b>Well Total</b>	\$898,274						
<b>MD</b>	9,450	<b>TVD</b>	9,450	<b>Progress</b>	0	<b>Days</b>	8	<b>MW</b>	10.1	<b>Visc</b>	34.0
<b>Formation :</b>	<b>PBTD : 0.0</b>			<b>Perf :</b>	<b>PKR Depth : 0.0</b>						

Activity at Report Time: RIG DOWN/CLEANING PITS

Start	End	Hrs	Activity Description
06:00	06:30	0.5	SHORTTRIP 20 STDS.
06:30	08:00	1.5	CIRCULATE MUD AND RIG UP LAY DWN CREW.
08:00	08:30	0.5	PUMP PILL 13.5 PPG/300+ BBLS.
08:30	09:00	0.5	DROP SURVEY/HOLD SAFETY MEETING.
09:00	16:00	7.0	LD DRILL PIPE/BHA.
16:00	16:30	0.5	PULL WEAR RING.
16:30	17:00	0.5	RU CASING CREW/SAFETY MEETING.
17:00	01:30	8.5	RUN 4 1/2" PRODUCTION CASING AS FOLLOWS: SHOE (1.00) SET @ 9440.21., 1 JT CSG 47, FLOAT COLLAR (1.50) SET W/ TOP @ 9391.71, 60 JTS (2586.56), 1 MJ (21.93) SET W/ TOP @ 6854.65, 59 JTS (2397.43'), 1 MJ (20.97') W/ TOP @ 4400.23', 105 JTS (4384.59'), P/U TAG JT & TAG W/ 25' IN, L/D TAG JT, P/U CASING HANGER - L/J ASSY (2 PUP JTS -15.02', CASING HANGER ASSY. 0.65', AND L/J 13.0'), LAND W/ 85 K ON HANGER.
01:30	02:30	1.0	RD CASING CREW RU SCHLUMBERGER SAFETY MEETING.
02:30	05:00	2.5	CEMENT 4 1/2" PRODUCTION CASING AS FOLLOWS: HSM, PRESURE TEST LINES TO 5000 PSI. DROP BTM PLUG. PUMP 20 BBL CHEM WASH AND 20 BBL WATER SPACER, MIX AND PUMP CEMENT. LEAD 580 SKS G + ADD @ 11.5 PPG, 2.98 YELD, 18.227 GAL/SK FRESH WATER (307.8 BBLS). TAIL 1475 SKS OF 50/50 POZ G CEMENT + ADD MIXED @ 14.1 PPG, 1.29 YEILD, 5.979 GAL/SK (340.0 BBLS). DROP TOP PLUG. DISPLACE TO FLOAT COLLAR WITH 146.32 BBL FRESH WATER, OFF & ON RETURNS THROUGH OUT CEMENT JOB - 0 BBLS CEMENT TO SURFACE, BUMP PLUG 0500 HRS WITH 3350 PSI (1000 PSI OVER FDP), FLOATS HELD, 3 BBLS BACK. LET SET FOR ONE HR.
05:00	06:00	1.0	RD CEMENTERS, CLEAN PITS - RIG DOWN.

FULL CREWS: NO INCIDENTS.

SAFETY MEETINGS: CEMENT.

BOP DRILL: NONE.

OPERATED COM (3), WITNESSED (1).

FUEL REC'D: 0 GALS DIESEL.

FUEL ON HAND: 3140 GAL, FUEL USED: 600 GALS.

MUD WT: , PPG, VIS: .

BG GAS: U, PEAK GAS: U @ ', TRIP GAS: U.

FORMATION: SEGO @ : 9,450'.

MANNED LOGGING UNIT - DAY 8.

<b>09-19-2008</b>	<b>Reported By</b>	KELLY SPOONTS
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<b>DailyCosts: Drilling</b>	\$9,973	<b>Completion</b>	\$8,225	<b>Daily Total</b>	\$18,198
<b>Cum Costs: Drilling</b>	\$678,956	<b>Completion</b>	\$237,516	<b>Well Total</b>	\$916,472
<b>MD</b>	9,450	<b>TVD</b>	9,450	<b>Progress</b>	0
<b>Days</b>	9	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation :</b>	<b>PBTD : 0.0</b>		<b>Perf :</b>	<b>PKR Depth : 0.0</b>	

Activity at Report Time: RDRT/NO COMPLETION

Start	End	Hrs	Activity Description
06:00	07:00	1.0	N/D BOP'S & CLEAN PITS.

ITEMS TRANSFERED FROM ECW 70-04 TO ECW 69-04  
 126.99' (3 JTS), 4 1/2", 11.6#, HCP -110, LTC, R-3, GOOD  
 21.95' (1 JT), 4 1/2", 11.6#, HCP -110, LTC, R-3, GOOD  
 82.91' (2 JTS) 4 1/2", 11.6#, HCP-110, LTC, R-3, BAD  
 10.02' (1 PUPS) 4 1/2", 11.6#, HCP -110, LTC, GOOD  
 FUEL 3140 GAL. @ \$3.75 PER GAL.  
 RIG MOVE FROM ECW 70-04 TO ECW 69-04 = .25 MILES.

07:00 RELEASE RIG @ 07:00 HRS, 9/18/08.  
 CASING POINT COST \$650,944

09-24-2008 Reported By SEARLE

<b>DailyCosts: Drilling</b>	\$0	<b>Completion</b>	\$45,148	<b>Daily Total</b>	\$45,148
<b>Cum Costs: Drilling</b>	\$678,956	<b>Completion</b>	\$282,664	<b>Well Total</b>	\$961,620
<b>MD</b>	9,450	<b>TVD</b>	9,450	<b>Progress</b>	0
<b>Days</b>	10	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation :</b>	<b>PBTD : 9392.0</b>		<b>Perf :</b>	<b>PKR Depth : 0.0</b>	

Activity at Report Time: PREP FOR FRAC

Start	End	Hrs	Activity Description
06:00	06:00	24.0	MIRU SCHLUMBERGER. LOG WITH RST/CBL/CCL/VDL/GR FROM PBTD TO 130'. EST CEMENT TOP @ 2500'. RD SCHLUMBERGER.

10-04-2008 Reported By MCCURDY

<b>DailyCosts: Drilling</b>	\$0	<b>Completion</b>	\$2,249	<b>Daily Total</b>	\$2,249
<b>Cum Costs: Drilling</b>	\$678,956	<b>Completion</b>	\$284,913	<b>Well Total</b>	\$963,869
<b>MD</b>	9,450	<b>TVD</b>	9,450	<b>Progress</b>	0
<b>Days</b>	11	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation :</b>	<b>PBTD : 9392.0</b>		<b>Perf :</b>	<b>PKR Depth : 0.0</b>	

Activity at Report Time: WO COMPLETION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	NU 10M FRAC TREE. PRESSURE TESTED FRAC TREE & CASING TO 8500 PSIG. WO COMPLETION.

10-07-2008 Reported By MCCURDY

<b>DailyCosts: Drilling</b>	\$0	<b>Completion</b>	\$968	<b>Daily Total</b>	\$968
<b>Cum Costs: Drilling</b>	\$678,956	<b>Completion</b>	\$285,881	<b>Well Total</b>	\$964,837
<b>MD</b>	9,450	<b>TVD</b>	9,450	<b>Progress</b>	0
<b>Days</b>	13	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation : MESAVERDE</b>	<b>PBTD : 9392.0</b>		<b>Perf : 7743'-9302'</b>	<b>PKR Depth : 0.0</b>	

Activity at Report Time: FRAC

Start	End	Hrs	Activity Description
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06:00 06:00 24.0 RU CUTTERS WIRELINE & PERFORATE LPR FROM 8949'-50', 8954'-55', 8962'-63', 8972'-73', 8978'-79', 9021'-22', 9097'-98', 9117'-18', 9123'-24', 9137'-38', 9145'-46', 9158'-59', 9164'-65', 9191'-92', 9271'-72', 9301'-02' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4169 GAL WF116 PREPAD, 4972 GAL YF116 PAD, 41020 GAL YF116ST+ WITH 137400# 20/40 SAND @ 1-5 PPG. MTP 7883 PSIG. MTR 51.4 BPM. ATP 5107 PSIG. ATR 47.2 BPM. ISIP 3100 PSIG. RD SCHLUMBERGER.

RUWL. SET 6K CFP AT 8914'. PERFORATE MPR/LPR FROM 8625'-26', 8665'-66', 8670'-71', 8695'-96', 8709'-10', 8744'-45', 8776'-77', 8786'-87', 8837'-38', 8843'-44', 8884'-84', 8897'-98' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 2082 GAL YF116 PAD, 26197 GAL YF116ST+ WITH 70000# 20/40 SAND @ 1-4 PPG. (LOST ELECTRONICS ON PCM & COULD NOT MIX GEL) OVER FLUSH W/WF10. MTP 8104 PSIG. MTR 51.4 BPM. ATP 6178 PSIG. ATR 48.1 BPM. ISIP 3800 PSIG.

## REFRAC

2082 GAL YF116 PAD, 19981 GAL YF116ST+ WITH 62600# 20/40 SAND @ 1-4 PPG. MTP 7607 PSIG. MTR 51.5 BPM. ATP 6201 PSIG. ATR 49.4 BPM. ISIP 3800 PSIG. RD SCHLUMBERGER.

RUWL. SET 10K CFP AT 8584'. PERFORATE MPR FROM 8338'-39', 8355'-56', 8394'-95', 8413'-14', 8421'-22', 8466'-67', 8476'-77', 8501'-02', 8510'-11', 8528'-29', 8536'-37', 8566'-67' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 2082 GAL YF116 PAD, 45496 GAL YF116ST+ WITH 155800# 20/40 SAND @ 1-5 PPG. MTP 7795 PSIG. MTR 51.6 BPM. ATP 5620 PSIG. ATR 49.8 BPM. ISIP 3170 PSIG. RD SCHLUMBERGER.

RUWL. SET 10K CFP AT 8276'. PERFORATE MPR FROM 8066'-67', 8076'-77', 8090'-91', 8098'-99', 8127'-28', 8150'-51', 8164'-65', 8186'-87', 8200'-01', 8213'-14', 8227'-28', 8254'-55' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 2082 GAL YF116 PAD, 53568 GAL YF116ST+ WITH 180400# 20/40 SAND @ 1-5 PPG. MTP 7592 PSIG. MTR 51.6 BPM. ATP 4661 PSIG. ATR 50.1 BPM. ISIP 3000 PSIG. RD SCHLUMBERGER.

RUWL. SET 10K CFP AT 8020'. PERFORATE UPR FROM 7743'-44', 7755'-56', 7790'-91', 7797'-98', 7815'-16', 7825'-26', 7925'-26', 7931'-32', 7940'-41', 7996'-97', 8000'-01', 8006'-07' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 2082 GAL YF116 PAD, 46680 GAL YF116ST+ WITH 155200# 20/40 SAND @ 1-5 PPG. MTP 6805 PSIG. MTR 51.6 BPM. ATP 4514 PSIG. ATR 50.2 BPM. ISIP 2800 PSIG. RD SCHLUMBERGER. SWIFN.

10-08-2008		Reported By		MCCURDY							
DailyCosts: Drilling		\$0		Completion		\$471,196		Daily Total		\$471,196	
Cum Costs: Drilling		\$678,956		Completion		\$757,077		Well Total		\$1,436,033	
MD	9,450	TVD	9,450	Progress	0	Days	14	MW	0.0	Visc	0.0
Formation :		PBTD : 9392.0				Perf : 5407'-9302'		PKR Depth : 0.0			
MESAVERDE/WASATCH											

**Activity at Report Time:** PREP TO MIRUSU

Start	End	Hrs	Activity Description
06:00	06:00	24.0	SICP 1623PSIG. RUWL SET 10K CFP AT 7716'. PERFORATE UPR FROM 7388'-89', 7395'-96', 7422'-23', 7431'-32', 7437'-38', 7473'-74', 7523'-24', 7533'-34', 7570'-71', 7619'-20', 7651'-52', 7698'-99' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 2082 GAL YF116 PAD, 41703 GAL YF116ST+ WITH 137600# 20/40 SAND @ 1-5 PPG. MTP 6389 PSIG. MTR 51.5 BPM. ATP 4385 PSIG. ATR 49.5 BPM. ISIP 2800 PSIG. RD SCHLUMBERGER.

RUWL. SET 10K CFP AT 7360'. PERFORATE UPR/ NORTH HORN FROM 6998'-99', 7025'-26', 7038'-39', 7054'-55', 7090'-91', 7097'-98', 7131'-32', 7180'-81', 7200'-01', 7254'-55', 7315'-16', 7344'-45' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 2082 GAL YF116 PAD, 34479 GAL YF116ST+ WITH 107300# 20/40 SAND @ 1-5 PPG. MTP 6509 PSIG. MTR 51.6 BPM. ATP 4442 PSIG. ATR 49 BPM. ISIP 2400 PSIG. RD SCHLUMBERGER.

RUWL. SET 10K CFP AT 6960'. PERFORATE NORTH HORN FROM 6786'-87', 6792'-93', 6830'-31', 6838'-39', 6865'-66', 6871'-72', 6897'-98', 6902'-03', 6919'-20', 6926'-27', 6934'-46' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 2082 GAL YF116 PAD, 35490 GAL YF116ST+ WITH 111100# 20/40 SAND @ 1-5 PPG. MTP 6741 PSIG. MTR 51.5 BPM. ATP 4238 PSIG. ATR 49 BPM. ISIP 2250 PSIG. RD SCHLUMBERGER.

RUWL. SET 6K CFP AT 6610'. PERFORATE Ba FROM 6321'-22', 6325'-26', 6366'-67', 6379'-80', 6394'-95', 6405'-06', 6454'-55', 6471'-72', 6530'-31', 6537'-38', 6580'-81', 6588'-89' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING WITH 2083 GAL YF116 PAD, 32693 GAL YF116ST+ WITH 97800# 20/40 SAND @ 1-4 PPG. MTP 7785 PSIG. MTR 51.6 BPM. ATP 4782 PSIG. ATR 49.1 BPM. ISIP 2000 PSIG. RD SCHLUMBERGER.

RUWL. SET 6K CFP AT 6220'. PERFORATE Ca FROM 5851'-52', 5861'-62', 5924'-25', 5986'-87', 5999'-600', 6028'-29', 6077'-78', 6109'-10', 6118'-19', 6159'-60', 6174'-75', 6190'-91' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING WITH 2084 GAL YF116 PAD, 31865 GAL YF116ST+ WITH 97200 # 20/40 SAND @ 1-4 PPG. MTP 5869 PSIG. MTR 51.6 BPM. ATP 3557 PSIG. ATR 48.7 BPM. ISIP 1870 PSIG. RD SCHLUMBERGER.

RUWL. SET 6K CFP AT 5824'. PERFORATE Ba FROM 5631'-32', 5637'-39', 5646'-47', 5676'-77', 5681'-82', 5701'-03', 5762'-63', 5769'-70', 5807'-09' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING WITH 2084 GAL YF116 PAD, 34947 GAL YF116ST+ WITH 109700# 20/40 SAND @ 1-4 PPG. MTP 51.6 PSIG. MTR 51.6 BPM. ATP 3654 PSIG. ATR 48.9 BPM. ISIP 1700 PSIG. RD SCHLUMBERGER.

RUWL. SET 6K CFP AT 5580'. PERFORATE Pp/ Ca FROM 5501'-03', 5511'-13', 5519'-21', 5536'-38', 5552'-54', 5558'-60' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING WITH 2074 GAL YF116 PAD, 33004 GAL YF116ST+ WITH 102850# 20/40 SAND @ 1-4 PPG. MTP 4795 PSIG. MTR 51.7 BPM. ATP 3416 PSIG. ATR 47.3 BPM. ISIP 2100 PSIG. RD SCHLUMBERGER.

RUWL. SET 6K CFP AT 5454'. PERFORATE Pp FROM 5407'-10', 5414'-17', 5420'-23', 5426'-29' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING WITH 2069 GAL YF116 PAD, 35655 GAL YF116ST+ WITH 113200# 20/40 SAND @ 1-4 PPG. MTP 4590 PSIG. MTR 51.6 BPM. ATP 3556 PSIG. ATR 48.8 BPM. ISIP 2500 PSIG. RD SCHLUMBERGER.

RUWL. SET 6K CBP AT 5298'. RDWL. SDFN.

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UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB NO. 1004-0135  
Expires: July 31, 2010

**SUNDRY NOTICES AND REPORTS ON WELLS**  
*Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.*

**SUBMIT IN TRIPLICATE - Other instructions on reverse side.**

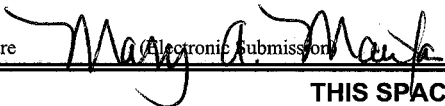
1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. UTU01304
2. Name of Operator EOG RESOURCES, INC.		6. If Indian, Allottee or Tribe Name
3a. Address 600 17TH STREET SUITE 1000N DENVER, CO 80202		7. If Unit or CA/Agreement, Name and/or No.
3b. Phone No. (include area code) Ph: 303-824-5526		8. Well Name and No. EAST CHAPITA 70-04
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 4 T9S R23E NWNE 501FNL 1790FEL 40.07061 N Lat, 109.32904 W Lon		9. API Well No. 43-047-39275
		10. Field and Pool, or Exploratory NATURAL BUTTES
		11. County or Parish, and State UINTAH COUNTY, UT

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	Production Start-up
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

The referenced well was turned to sales on 11/16/2008. Please see the attached operations summary report for drilling and completion operations performed on the subject well.

14. I hereby certify that the foregoing is true and correct. <b>Electronic Submission #64846 verified by the BLM Well Information System For EOG RESOURCES, INC., sent to the Vernal</b>	
Name (Printed/Typed) MARY A. MAESTAS	Title REGULATORY ASSISTANT
Signature 	Date 11/17/2008

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved By _____	Title _____	Date _____
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.		Office _____

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

**\*\* OPERATOR-SUBMITTED \*\* OPERATOR-SUBMITTED \*\* OPERATOR-SUBMITTED \*\***

**RECEIVED**  
**NOV 20 2008**  
**DIV. OF OIL, GAS & MINING**

# WELL CHRONOLOGY REPORT

Report Generated On: 11-17-2008

<b>Well Name</b>	ECW 070-04	<b>Well Type</b>	DEVG	<b>Division</b>	DENVER
<b>Field</b>	CHAPITA DEEP	<b>API #</b>	43-047-39275	<b>Well Class</b>	1SA
<b>County, State</b>	UINTAH, UT	<b>Spud Date</b>	09-10-2008	<b>Class Date</b>	11-16-2008
<b>Tax Credit</b>	N	<b>TVD / MD</b>	9,450/ 9,450	<b>Property #</b>	060417
<b>Water Depth</b>	0	<b>Last CSG</b>	0.0	<b>Shoe TVD / MD</b>	7,733/ 7,733
<b>KB / GL Elev</b>	4,985/ 4,972				
<b>Location</b>	Section 4, T9S, R23E, NWNE, 501 FNL & 1790 FEL				

<b>Event No</b>	1.0	<b>Description</b>	DRILL & COMPLETE		
<b>Operator</b>	EOG RESOURCES, INC	<b>WI %</b>	100.0	<b>NRI %</b>	84.75

<b>AFE No</b>	304453	<b>AFE Total</b>	2,027,200	<b>DHC / CWC</b>	880,700/ 1,146,500
<b>Rig Contr</b>	TRUE	<b>Rig Name</b>	TRUE #26	<b>Start Date</b>	05-30-2007
<b>05-30-2007</b>	<b>Reported By</b>	SHARON CAUDILL			
<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$0	<b>Daily Total</b>	\$0
<b>Cum Costs: Drilling</b>	\$0	<b>Completion</b>	\$0	<b>Well Total</b>	\$0
<b>MD</b>	0	<b>TVD</b>	0	<b>Progress</b>	0
<b>Days</b>	0	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation :</b>	<b>PBTD : 0.0</b>		<b>Perf :</b>	<b>PKR Depth : 0.0</b>	

Activity at Report Time: LOCATION DATA

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LOCATION DATA
			501' FNL & 1790' FEL, LOT 2 (NW/NE)
			SECTION 4, T9S, R23E
			UINTAH COUNTY, UTAH
			 LAT 40.070642, LONG 109.328358 (NAD 27)
			LAT 40.070606, LONG 109.329039 (NAD 83)
			 TRUE #26
			OBJECTIVE: 9450' TD, MESAVERDE
			DW/GAS
			EAST CHAPITA PROSPECT
			DD&A: CHAPITA DEEP
			NATURAL BUTTES FIELD
			 LEASE: U-01304
			ELEVATION: 4970.5' NAT GL, 4972.3' PREP GL (DUE TO ROUNDING THE PREP GL IS 4972'), 4985' KB (13')
			 EOG WI 100%, NRI 84.75%

07-23-2008      Reported By      TERRY CSERE

DailyCosts: Drilling		\$38,000		Completion		\$0		Daily Total		\$38,000	
Cum Costs: Drilling		\$38,000		Completion		\$0		Well Total		\$38,000	
MD	0	TVD	0	Progress	0	Days	0	MW	0.0	Visc	0.0
Formation :		PBTD : 0.0				Perf :		PKR Depth : 0.0			
Activity at Report Time: BUILD LOCATION											
Start	End	Hrs	Activity Description								
06:00	06:00	24.0	START LOCATION TODAY 7/23/08.								
07-24-2008		Reported By		TERRY CSERE							
DailyCosts: Drilling		\$0		Completion		\$0		Daily Total		\$0	
Cum Costs: Drilling		\$38,000		Completion		\$0		Well Total		\$38,000	
MD	0	TVD	0	Progress	0	Days	0	MW	0.0	Visc	0.0
Formation :		PBTD : 0.0				Perf :		PKR Depth : 0.0			
Activity at Report Time: BUILD LOCATION											
Start	End	Hrs	Activity Description								
06:00	06:00	24.0	LOCATION 10% COMPLETE.								
07-25-2008		Reported By		TERRY CSERE							
DailyCosts: Drilling		\$0		Completion		\$0		Daily Total		\$0	
Cum Costs: Drilling		\$38,000		Completion		\$0		Well Total		\$38,000	
MD	0	TVD	0	Progress	0	Days	0	MW	0.0	Visc	0.0
Formation :		PBTD : 0.0				Perf :		PKR Depth : 0.0			
Activity at Report Time: BUILD LOCATION											
Start	End	Hrs	Activity Description								
06:00	06:00	24.0	LOCATION 30% COMPLETE								
07-28-2008		Reported By		TERRY CSERE							
DailyCosts: Drilling		\$0		Completion		\$0		Daily Total		\$0	
Cum Costs: Drilling		\$38,000		Completion		\$0		Well Total		\$38,000	
MD	0	TVD	0	Progress	0	Days	0	MW	0.0	Visc	0.0
Formation :		PBTD : 0.0				Perf :		PKR Depth : 0.0			
Activity at Report Time: BUILD LOCATION											
Start	End	Hrs	Activity Description								
06:00	06:00	24.0	LOCATION 60% COMPLETE								
07-29-2008		Reported By		TERRY CSERE							
DailyCosts: Drilling		\$0		Completion		\$0		Daily Total		\$0	
Cum Costs: Drilling		\$38,000		Completion		\$0		Well Total		\$38,000	
MD	0	TVD	0	Progress	0	Days	0	MW	0.0	Visc	0.0
Formation :		PBTD : 0.0				Perf :		PKR Depth : 0.0			
Activity at Report Time: BUILD LOCATION											
Start	End	Hrs	Activity Description								
06:00	06:00	24.0	LINE TOMORROW								
07-30-2008		Reported By		TERRY CSERE							



<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$0	<b>Daily Total</b>	\$0
<b>Cum Costs: Drilling</b>	\$38,000	<b>Completion</b>	\$0	<b>Well Total</b>	\$38,000
<b>MD</b>	0	<b>TVD</b>	0	<b>Progress</b>	0
<b>Days</b>	0	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation :</b>	<b>PBTD : 0.0</b>		<b>Perf :</b>	<b>PKR Depth : 0.0</b>	

Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LINE TOMORROW

07-31-2008      Reported By      TERRY CSERE

<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$0	<b>Daily Total</b>	\$0
<b>Cum Costs: Drilling</b>	\$38,000	<b>Completion</b>	\$0	<b>Well Total</b>	\$38,000
<b>MD</b>	0	<b>TVD</b>	0	<b>Progress</b>	0
<b>Days</b>	0	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation :</b>	<b>PBTD : 0.0</b>		<b>Perf :</b>	<b>PKR Depth : 0.0</b>	

Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LINE TOMORROW

08-01-2008      Reported By      JERRY BARNES/TERRY CSERE

<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$0	<b>Daily Total</b>	\$0
<b>Cum Costs: Drilling</b>	\$38,000	<b>Completion</b>	\$0	<b>Well Total</b>	\$38,000
<b>MD</b>	60	<b>TVD</b>	60	<b>Progress</b>	0
<b>Days</b>	0	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation :</b>	<b>PBTD : 0.0</b>		<b>Perf :</b>	<b>PKR Depth : 0.0</b>	

Activity at Report Time: BUILD LOCATION/WO AIR RIG

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LINE MONDAY. LOCATION COMPLETE. ROCKY MOUNTAIN DRILLING SPUD A 20" HOLE ON 07/31/08 @ 4:30 PM. SET 60' OF 14" CONDUCTOR. CEMENT TO SURFACE WITH READY MIX. JERRY BARNES NOTIFIED CAROL DANIELS W/UDOGM AND MICHAEL LEE W/BLM OF THE SPUD 07/31/08 @ 4:00 PM.

08-04-2008      Reported By      TERRY CSERE

<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$0	<b>Daily Total</b>	\$0
<b>Cum Costs: Drilling</b>	\$38,000	<b>Completion</b>	\$0	<b>Well Total</b>	\$38,000
<b>MD</b>	60	<b>TVD</b>	60	<b>Progress</b>	0
<b>Days</b>	0	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation :</b>	<b>PBTD : 0.0</b>		<b>Perf :</b>	<b>PKR Depth : 0.0</b>	

Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LINE TODAY

08-05-2008      Reported By      TERRY CSERE

<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$0	<b>Daily Total</b>	\$0
<b>Cum Costs: Drilling</b>	\$38,000	<b>Completion</b>	\$0	<b>Well Total</b>	\$38,000
<b>MD</b>	60	<b>TVD</b>	60	<b>Progress</b>	0
<b>Days</b>	0	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation :</b>	<b>PBTD : 0.0</b>		<b>Perf :</b>	<b>PKR Depth : 0.0</b>	

Activity at Report Time: WO AIR RIG

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LOCATION COMPLETE WO AIR RIG

09-08-2008 Reported By LESTER FARNSWORTH

Daily Costs: Drilling \$237,602 Completion \$0 Daily Total \$237,602

Cum Costs: Drilling \$275,602 Completion \$0 Well Total \$275,602

MD 2,488 TVD 2,488 Progress 0 Days 0 MW 0.0 Visc 0.0

Formation : PBT D : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: WORT

Start	End	Hrs	Activity Description
06:00	06:00	24.0	MIRU CRAIGS AIR RIG #4 ON 9/1/2008. DRILLED 12-1/4" HOLE TO 2488' GL. ENCOUNTERED WATER @ 2040'. RAN 57 JTS (2458.52') OF 9-5/8", 36.0#, J-55, ST&C CASING WITH HALLIBURTON GUIDE SHOE AND FLOAT COLLAR. 8 CENTRALIZERS SPACED MIDDLE OF SHOE JOINT AND EVERY COLLAR TILL GONE. LANDED @ 2471' KB. RAN 200' OF 1" PIPE DOWN BACKSIDE. RDMO AIR RIG.

MIRU HALLIBURTON CEMENTERS. HELD SAFETY MEETING. PRESSURE TESTED LINES AND CEMENT VALVE TO 2000 PSIG. PUMPED 190 BBLS FRESH WATER & 20 BBLS GELLED WATER FLUSH AHEAD OF CEMENT. MIXED & PUMPED 200 SX (146 BBLS) OF PREMIUM LEAD CEMENT W/0.2% VARASET, 2% CALSEAL, & 2% EX-1. MIXED LEAD CEMENT @ 10.5 PPG W/YIELD OF 4.10 CF/SX.

TAILED IN W/300 SX (63 BBLS) OF PREMIUM CEMENT W/2% CACL2. MIXED TAIL CEMENT @ 15.6 PPG W/YIELD OF 1.18 CF/SX. DISPLACED CEMENT W/ 187 BBLS FRESH WATER. BUMPED PLUG W/300# @ 11:22 AM, 9/4/2008. CHECKED FLOAT, FLOAT HELD. SHUT-IN CASING VALVE. BROKE CIRCULATION 14 BBLS INTO LEAD CEMENT. LOST CIRCULATION 150 BBLS INTO DISPLACEMENT. NO CEMENT TO SURFACE.

TOP JOB # 1: PUMPED DOWN 200' OF 1" PIPE. MIXED & PUMPED 120 SX (25 BBLS) OF PREMIUM CEMENT W/2% CACL2. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX. HOLE FILLED & CIRCULATED 7 BBLS INTO CEMENT. LOST RETURNS 21 BBLS INTO CEMENT. NO CEMENT TO SURFACE. WOC 4 HRS.

TOP JOB # 2: MIXED & PUMPED 50 SX (11 BBLS) OF PREMIUM CEMENT W/2% CACL2. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX. HOLE FILLED & STOOD FULL. RDMO HALLIBURTON CEMENTERS.

PREPARED LOCATION FOR ROTARY RIG. WORT. WILL DROP FROM REPORT UNTIL FURTHER ACTIVITY.

NO SURVEY AT THIS TIME.

CONDUCTOR LEVEL RECORD: PS= 90.0 OPS= 90.0 VDS= 89.9 MS= 90.0.

9 5/8 CASING LEVEL RECORD: PS= 89.9 OPS= 89.9 VDS= 90.0 MS= 90.0

LESTER FARNSWORTH NOTIFIED JAMIE SPARGER W/BLM OF THE SURFACE CASING & CEMENT JOB ON 9/3/2008 @ 8:00 AM.

09-10-2008 Reported By BENNY BLACKWELL

Daily Costs: Drilling \$28,974 Completion \$393 Daily Total \$29,367

Cum Costs: Drilling \$304,576 Completion \$393 Well Total \$304,969

MD 2,488 TVD 2,488 Progress 0 Days 0 MW 0.0 Visc 0.0

Formation : PBT D : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: TESTING BOPE

Start	End	Hrs	Activity Description
06:00	12:00	6.0	RIG DOWN AND MOVE OFF OF LOCATION ECW 72-04.
12:00	15:00	3.0	MOVE ONTO LOCATION ECW 70-04 - TRUCKS OFF OF LOCATION @ 15:00 HRS. DERRICK IN AIR BY 16:00 HRS.

15:00 02:00 11.0 RIG UP AND PREPARE RIG TO DRILL 7.875 INCH HOLE – NIPPLE UP BOP'S. DAYRATE START AT 02:00 HRS, 9/10/08.

02:00 06:00 4.0 TEST BOPS – PIPE RAMS , BLIND RAMS , KILL LINE AND KILL LINE VALVES, CHOKE LINES AND MANIFOLD ,FLOOR VALVES , UPPER AND LOWER KELLY COCK , TO 250 PSI F/ 5 MIN., 5000 PSI FOR 10 MIN . TEST ANNULAR TO 250 PIS F/ 5 MIN, 2500 PSI FOR 10 MIN , TEST CSG TO 1500 PSI FOR 30 MIN.FUNCTION TEST ACCUMULATOR.

FULL CREWS: NO INCIDENTS.

SAFETY MEETINGS: RIG MOVE W/TRI-STATE (2), TEST BOP'S (1).

BOP DRILL: NONE.

OPERATED COM (1), WITNESSED (1).

FUEL REC'D: 0 GALS DIESEL.

FUEL ON HAND: 3590 GAL, FUEL USED: 563 GALS.

MUD WT: PPG, VIS: .

BG GAS: U, PEAK GAS: U @ ' , TRIP GAS: U.

FORMATION: GREEN RIVER @ : 2036' .

UNMANNED LOGGING UNIT – DAY 0.

ITEMS TRANSFERED FROM ECW 72-04 TO ECW 70-04

42.36' (1 JT), 4 1/2", 11.6#, HCP -110, LTC, R-3, GOOD

42.34' (1 JT), 4 1/2", 11.6#, HCP -110, LTC, R-3, BAD

127.02' (3 JTS) 4 1/2", 11.6#, N-80, LTC, R-3, GOOD

42.14' (1 JTS) 4 1/2", 11.6#, N-80, LTC, R-3, BAD

31.96' (2 PUPS) 4 1/2", 11.6#, HCP -110, LTC, GOOD

FUEL 3590 GAL. @ \$4.05718 PER GAL.

RIG MOVE FROM ECW 42.-04 TO ECW 72-04 = 1.5 MILES.

09-11-2008 Reported By BENNY BLACKWELL

<b>Daily Costs: Drilling</b>	\$63,194	<b>Completion</b>	\$0	<b>Daily Total</b>	\$63,194
<b>Cum Costs: Drilling</b>	\$367,770	<b>Completion</b>	\$393	<b>Well Total</b>	\$368,163

<b>MD</b>	4,411	<b>TVD</b>	4,411	<b>Progress</b>	1,923	<b>Days</b>	1	<b>MW</b>	8.5	<b>Visc</b>	27.0
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<b>Formation :</b>	<b>PBTD : 0.0</b>	<b>Perf :</b>	<b>PKR Depth : 0.0</b>
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Activity at Report Time: DRILLING @ 4411'

Start	End	Hrs	Activity Description
06:00	06:30	0.5	INSTALL WEAR BUSHING
06:30	10:00	3.5	RIG UP L/D CREW & EQUIP, HSM, P/U BHA & DRILL PIPE TO 2352'.
10:00	11:00	1.0	RIG DOWN L/D CREW, INSTALL ROT HEAD RUBBER.
11:00	11:30	0.5	SERVICE RIG – C/O SWIVEL PACKING.
11:30	12:30	1.0	DRILL CEMENT/FLOAT EQUIP + 10' OF NEW FORMATION TO 2531'.
12:30	13:00	0.5	CIRC FOR & PERFORM FIT – 100 PSI SURFACE PRESSURE W/ 8.4 PPG FLUID = 9.2 PPG EMW.
13:00	13:30	0.5	DRILL F/ 2531' – 2586', 12-20K WOB, 40-60 RPM @ TABLE, 1200 PSI @ 120 SPM = 420 GPM = 92 PRM F/ MOTOR, 110 FPH.
13:30	15:00	1.5	SURVEY @ 2511' – 1 DEG, SURVEY MACHINE FAILED – CRANK SURVEY OUT OF HOLE BY HAND.
15:00	06:00	15.0	DRILL F/ 2586' – 4411', 12-20K WOB, 40-60 RPM @ TABLE, 1200 PSI @ 120 SPM = 420 GPM = 92 PRM F/ MOTOR, 121.73 FPH.

FULL CREWS: NO INCIDENTS.

SAFETY MEETINGS: SURVEY (2), P/U DRILL STRING W/ WEATHERFORD(1).

BOP DRILL: EVENING TOUR (75), MORNING TOUR (80).

OPERATED COM (3), WITNESSED (1).

FUEL REC'D: 4000 GALS DIESEL.

FUEL ON HAND: 6358 GAL, FUEL USED: 709 GALS.

MUD WT: 8.8+, PPG, VIS: 30.

BG GAS: 250-300 U, PEAK GAS: 9282 U @ 3085', TRIP GAS: N/A U.

FORMATION: MAHOGONY OIL SHALE @ : 2682'.

UNMANNED LOGGING UNIT - DAY 1.

06:00

SPUD 7 7/8" HOLE @ 13:00 HRS, 9/10/08.

09-12-2008 Reported By BENNY BLACKWELL

Daily Costs: Drilling \$33,385 Completion \$0 Daily Total \$33,385

Cum Costs: Drilling \$401,155 Completion \$393 Well Total \$401,548

MD 5,350 TVD 5,350 Progress 939 Days 2 MW 9.1 Visc 30.0

Formation : PBT D : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: DRILLING @ 5350'

Start	End	Hrs	Activity Description
06:00	08:30	2.5	DRILL F/ 4411' - 4612, 12-20K WOB, 40-60 RPM @ TABLE, 1200 PSI @ 120 SPM = 420 GPM = 92 PRM F/ MOTOR, 80.4 FPH - LOSS OF DRILL PIPE PRESSURE.
08:30	09:00	0.5	SERVICE RIG - DAILY RIG SERVICE - CHECK SURFACE LINES AND PUMP, CANNOT FIND REASON FOR LOST PRESSURE.
09:00	09:30	0.5	PUMP FLAG TO CHECK FOR HOLE IN DRILL STRING,
09:30	12:00	2.5	CHAIN OUT OF HOLE CHECKING FOR HOLE IN DRILL STRING - NO STRING FAILURE NOTED,
12:00	13:00	1.0	L/D REAMERS & MUD MOTOR - P/U NEW MOTOR.
13:00	15:00	2.0	RUN IN HOLE W/ BHA + 10 STDs, P/U KELLY AND CHECK DRILL PIPE PRESSURE - INSUFFICIENT PRESSURE.
15:00	16:00	1.0	POH TO MOTOR FOR INSUFFICIENT PRESSURE.
16:00	16:30	0.5	KELLY UP ON MUD MOTOR - STILL INSUFFICIENT DRILL PIPE PRESSURE - RECHECK SURFACE EQUIP - FOUND POP OFF ON #1 PUMP BLOWN AND 4" VALVE WASHED OUT (PUMP WAS CLOSED IN), OPEN 4" VALVE & RESET POP OFF TO GREATER PRESSURE SETTING.
16:30	18:00	1.5	RUN IN HOLE WBIT #1 & BHA #2 - NO HOLE PROBLEMS.
18:00	18:30	0.5	WASH & REAM 60' TO BOTTOM.
18:30	06:00	11.5	DRILL F/ 4612' - 5350', 12-20K WOB, 40-60 RPM @ TABLE, 1675 PSI @ 120 SPM = 420 GPM = 67 RPM F/ MOTOR, 64.17 FPH.

FULL CREWS: NO INCIDENTS.

SAFETY MEETINGS: TRIPPING (1), HIGH PRESSURE PUMPS (1), CLEANING RIG (1).

BOP DRILL: NONE.

OPERATED COM (5), WITNESSED (2).

FUEL REC'D: 4000 GALS DIESEL.

FUEL ON HAND: 5236 GAL, FUEL USED: 1122 GALS.

MUD WT: 9.6+, PPG, VIS: 34.

BG GAS: 65-75 U, PEAK GAS: 7077 U @ 4581', TRIP GAS: 9149 U.

FORMATION: WASATCH @ : 4654'.

MANNED LOGGING UNIT - DAY 2.

09-13-2008 Reported By BENNY BLACKWELL

<b>Daily Costs: Drilling</b>	\$33,546	<b>Completion</b>	\$0	<b>Daily Total</b>	\$33,546
<b>Cum Costs: Drilling</b>	\$434,701	<b>Completion</b>	\$393	<b>Well Total</b>	\$435,094

<b>MD</b>	6,395	<b>TVD</b>	6,395	<b>Progress</b>	1,045	<b>Days</b>	3	<b>MW</b>	9.6	<b>Visc</b>	34.0
<b>Formation :</b>			<b>PBTD : 0.0</b>			<b>Perf :</b>			<b>PKR Depth : 0.0</b>		

Activity at Report Time: DRILLING @ 6395'

Start	End	Hrs	Activity Description
06:00	13:00	7.0	DRILL F/ 5350' - 5738, 12-20K WOB, 40-60 RPM @ TABLE, 1900 PSI @ 120 SPM = 420 GPM = 67 RPM F/ MOTOR, 55.43 FPH.
13:00	13:30	0.5	SERVICE RIG - DAILY RIG SERVICE.
13:30	18:30	5.0	DRILL F/ 5738' - 6022', 12-20K WOB, 40-60 RPM @ TABLE, 1950 PSI @ 120 SPM = 420 GPM = 67 RPM F/ MOTOR, 59.8 FPH.
18:30	19:30	1.0	CIRC AND RUN WIRELINE SURVEY @ 5947' - 3 DEG.
19:30	06:00	10.5	DRILL F/ 6022' - 6395', 12-20K WOB, 40-60 RPM @ TABLE, 2025 PSI @ 120 SPM = 420 GPM = 67 RPM F/ MOTOR, 35.5 FPH.

FULL CREWS: NO INCIDENTS.

SAFETY MEETINGS: AIR TUGGERS (2), MUDDY CONDITIONS(1).

BOP DRILL: NONE.

OPERATED COM (3), WITNESSED (1).

FUEL REC'D: 0 GALS DIESEL.

FUEL ON HAND: 3815 GAL, FUEL USED: 1421 GALS.

MUD WT: 10.4+, PPG, VIS: 34.

BG GAS: 75-85 U, PEAK GAS: 1209 U @ 54174581', TRIP GAS: N/A U.

FORMATION: BUCK CANYON @ : 6176'.

MANNED LOGGING UNIT - DAY 3.

09-14-2008 Reported By BENNY BLACKWELL

<b>Daily Costs: Drilling</b>	\$33,077	<b>Completion</b>	\$0	<b>Daily Total</b>	\$33,077
<b>Cum Costs: Drilling</b>	\$467,779	<b>Completion</b>	\$393	<b>Well Total</b>	\$468,172

<b>MD</b>	7,295	<b>TVD</b>	7,295	<b>Progress</b>	900	<b>Days</b>	4	<b>MW</b>	10.4	<b>Visc</b>	34.0
<b>Formation :</b>			<b>PBTD : 0.0</b>			<b>Perf :</b>			<b>PKR Depth : 0.0</b>		

Activity at Report Time: DRILLING @ 7295'

Start	End	Hrs	Activity Description
06:00	07:00	1.0	CIRC, MIX & PUMP PILL.
07:00	08:30	1.5	POH FOR BIT #2, HOLE TIGHT BETWEEN 4978' - 4523' - WORK W/ 30-50K OVER P/U WEIGHT, LOST RETURNS, 60 BBLS FROM TRIP TANK.
08:30	09:30	1.0	HOLE NOT RETURNING FLUID, PUMP 40BBLS RESERVE PIT FLUID DOWN BACK SIDE BEFORE FLUID RETURNS TO SURFACE.
09:30	12:00	2.5	CONT POH, FILLING W/RESERVE PIT FLUID, L/D MOTOR, BIT, P/U MOTOR & BIT #2.
12:00	14:00	2.0	RIH W/ BIT#2 TO 5771'.
14:00	15:00	1.0	PUMP LCM SWEEP AND BUILD 160 BBLS OF VOLUME.
15:00	15:30	0.5	RIH TO 6301 THEN WASH 94' TO BOTTOM.
15:30	20:00	4.5	DRILL F/ 6395' - 6753', 12-20K WOB, 40-60 RPM @ TABLE, 2025 PSI @ 114 SPM = 398 GPM = 63 RPM F/ MOTOR, 79.55 FPH.
20:00	20:30	0.5	SERVICE RIG - DAILY RIG SERVICE.

20:30 06:00 9.5 DRILL F/ 6753' - 7295', 12-20K WOB, 40-60 RPM @ TABLE, 2025 PSI @ 114 SPM = 398 GPM = 63 RPM F/ MOTOR, 57.05 FPH.

FULL CREWS: NO INCIDENTS.

SAFETY MEETINGS: TRIPPING (2), BUILDING VOLUME (1).

BOP DRILL: NONE.

OPERATED COM (5), WITNESSED (2).

FUEL REC'D: 0 GALS DIESEL.

FUEL ON HAND: 2767 GAL, FUEL USED: 1048 GALS.

MUD WT: 10.4+, PPG, VIS: 37.

BG GAS: 80-90 U, PEAK GAS: 7039 U @ 6393', TRIP GAS: 1580 U.

FORMATION: PRICE RIVER @ : 7248'.

MANNED LOGGING UNIT - DAY 4.

DAILY LOSSES: 450 BBLS

09-15-2008		Reported By		BENNY BLACKWELL							
DailyCosts: Drilling		\$56,019		Completion		\$0		Daily Total		\$56,019	
Cum Costs: Drilling		\$523,798		Completion		\$393		Well Total		\$524,191	
MD	8,054	TVD	8,054	Progress	759	Days	5	MW	10.5	Visc	36.0
Formation :		PBTD : 0.0				Perf :		PKR Depth : 0.0			

**Activity at Report Time:** TIH W/NEW BIT #4 @ 8,054'

Start	End	Hrs	Activity Description
06:00	12:00	6.0	DRILL F/ 7295' - 7703', 12-20K WOB, 40-60 RPM @ TABLE, 2025 PSI @ 114 SPM = 398 GPM = 63 RPM F/ MOTOR, 68 FPH.
12:00	12:30	0.5	SERVICE RIG - DAILY RIG SERVICE.
12:30	20:30	8.0	DRILL F/ 7703' - 8054', 12-20K WOB, 40-60 RPM @ TABLE, 2025 PSI @ 114 SPM = 398 GPM = 63 RPM F/ MOTOR, 43.87 FPH (SLOW ROP F/LAST HOUR).
20:30	21:30	1.0	CIRC, MIX & PUMP WEIGHTED PILL.
21:30	22:00	0.5	PREPARE AND DROP SURVEY.
22:00	23:30	1.5	POH FOR BIT #3 (LOW ROP) - LOST RETURNS @ 2604 BIT DEPTH.
23:30	12:30	13.0	REFILL TRIP TANK W/ 40 BBLS MUD AND FILL HOLE - NO RETURNS, FILL TRIP TANK W/ 60 BBLS RESERVE PIT WATER AND FILL HOLE - PARTIAL RETURNS - TRIP TANK LEVEL DROPPED TO 28.60, REFILL TO 60 BBLS.
12:30	01:30	13.0	CONT TO POH FOR BIT #3, L/D BIT #2 AND MOTOR - SURVEY 1.75 DEG.
01:30	03:00	1.5	BUILD 225 BBLS VOLUME IN ACTIVE SYSTEM AND PREPARE LCM SWEEP.
03:00	06:00	3.0	P/U BIT #3 & MUD MOTOR & RIH.

FULL CREWS: NO INCIDENTS.

SAFETY MEETINGS: TRIPPING (1), PAINTING (1), PPE (1).

BOP DRILL: NONE.

OPERATED COM (5), WITNESSED (2).

FUEL REC'D: 4500 GALS DIESEL.

FUEL ON HAND: 6283 GAL, FUEL USED: 984 GALS.

MUD WT: 10.6+, PPG, VIS: 37.

BG GAS: 80-90 U, PEAK GAS: 4691 U @ 7673', TRIP GAS: N/A U.

FORMATION: PRICE RIVER @ : 7248'.

MANNED LOGGING UNIT - DAY 5.

09-16-2008 Reported By BENNY BLACKWELL

Daily Costs: Drilling \$73,812 Completion \$0 Daily Total \$73,812

Cum Costs: Drilling \$597,611 Completion \$393 Well Total \$598,004

MD 8,800 TVD 8,800 Progress 746 Days 6 MW 10.3 Visc 32.0

Formation : PBTD : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: DRLG @ 8800'

Start	End	Hrs	Activity Description
06:00	08:00	2.0	CIRC LCM SWEEP & BUILD VOLUME (300 BBLS).
08:00	08:30	0.5	WASH & REAM 60' TO BOTTOM.
08:30	11:00	2.5	DRILL F/ 8054' - 8176', 12-20K WOB, 40-60 RPM @ TABLE, 2025 PSI @ 114 SPM = 398 GPM = 63 RPM F/ MOTOR, 48.8 FPH.
11:00	11:30	0.5	SERVICE RIG - DAILY RIG SERVICE.
11:30	06:00	18.5	DRILL F/8176' - 8800', 12-20K WOB, 40-60 RPM @ TABLE, 2025 PSI @ 118 SPM = 412 GPM = 66 RPM F/ MOTOR, 33.7 FPH.

FULL CREWS: NO INCIDENTS.

SAFETY MEETINGS: AWARENESS (2), MOUSEHOLING PIPE (1).

BOP DRILL: NONE.

OPERATED COM (3), WITNESSED (1).

FUEL REC'D: 0 GALS DIESEL.

FUEL ON HAND: 5086 GAL, FUEL USED: 1197 GALS.

MUD WT: 10.0+, PPG, VIS: 36.

BG GAS: 550-1000 U, PEAK GAS: 7189 U @ 8670', TRIP GAS: 1601 U.

FORMATION: PRICE RIVER MIDDLE @ : 8056'.

MANNED LOGGING UNIT - DAY 6.

09-17-2008 Reported By BENNY BLACKWELL/KELLY SPOONTS

Daily Costs: Drilling \$35,503 Completion \$0 Daily Total \$35,503

Cum Costs: Drilling \$633,114 Completion \$393 Well Total \$633,507

MD 9,450 TVD 9,450 Progress 650 Days 7 MW 10.0 Visc 35.0

Formation : PBTD : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: SHORT TRIP F/ PRODUCTION CSG.

Start	End	Hrs	Activity Description
06:00	11:00	5.0	DRILL F/8800' - 8996', 12-20K WOB, 40-60 RPM @ TABLE, 2025 PSI @ 118 SPM = 412 GPM = 66 RPM F/ MOTOR, 35.63 FPH.
11:00	11:30	0.5	SERVICE RIG - DAILY RIG SERVICE.
11:30	04:30	17.0	DRILL F/8996' - 9450', 12-20K WOB, 40-60 RPM @ TABLE, 2025 PSI @ 118 SPM = 412 GPM = 66 RPM F/ MOTOR, 27 FPH. REACHED TD AT 04:30 HRS, 9/17/08.
04:30	06:00	1.5	CIRCULATE BTMS, MIX & PUMP PILL.

FULL CREWS: NO INCIDENTS.

SAFETY MEETINGS: MIXING CHEMICALS.

BOP DRILL: NONE.

OPERATED COM (3), WITNESSED (1).

FUEL REC'D: 0 GALS DIESEL.



FUEL ON HAND: 3740 GAL, FUEL USED: 1346 GALS.

MUD WT: 10.1, PPG, VIS: 34.

BG GAS: 550-1000 U, PEAK GAS: 7189 U @ 8670', TRIP GAS: 1601 U.

FORMATION: SEGO @ : 9,450'.

MANNED LOGGING UNIT - DAY 7.

<b>09-18-2008</b>	<b>Reported By</b>	KELLY SPOONTS							
<b>Daily Costs: Drilling</b>	\$35,869		<b>Completion</b>	\$228,898		<b>Daily Total</b>	\$264,767		
<b>Cum Costs: Drilling</b>	\$668,983		<b>Completion</b>	\$229,291		<b>Well Total</b>	\$898,274		
<b>MD</b>	9,450	<b>TVD</b>	9,450	<b>Progress</b>	0	<b>Days</b>	8	<b>MW</b>	10.1
								<b>Visc</b>	34.0
<b>Formation :</b>		<b>PBTD : 0.0</b>		<b>Perf :</b>		<b>PKR Depth : 0.0</b>			

Activity at Report Time: RIG DOWN/CLEANING PITS

Start	End	Hrs	Activity Description
06:00	06:30	0.5	SHORTTRIP 20 STDS.
06:30	08:00	1.5	CIRCULATE MUD AND RIG UP LAY DWN CREW.
08:00	08:30	0.5	PUMP PILL 13.5 PPG/300+ BBLS.
08:30	09:00	0.5	DROP SURVEY/HOLD SAFTEY MEETING.
09:00	16:00	7.0	LD DRILL PIPE/BHA.
16:00	16:30	0.5	PULL WEAR RING.
16:30	17:00	0.5	RU CASING CREW/SAFETY MEETING.
17:00	01:30	8.5	RUN 4 1/2" PRODUCTION CASING AS FOLLOWS: SHOE (1.00) SET @ 9440.21., 1 JT CSG 47, FLOAT COLLAR (1.50) SET W/ TOP @ 9391.71, 60 JTS (2586.56), 1 MJ (21.93) SET W/ TOP @ 6854.65, 59 JTS (2397.43'), 1 MJ (20.97') W/ TOP @ 4400.23', 105 JTS (4384.59'), P/U TAG JT & TAG W/ 25" IN, L/D TAG JT, P/U CASING HANGER - L/J ASSY (2 PUP JTS -15.02', CASING HANGER ASSY. 0.65', AND L/J 13.0'), LAND W/ 85 K ON HANGER.
01:30	02:30	1.0	RD CASING CREW RU SCHLUMBERGER SAFTEY MEETING.
02:30	05:00	2.5	CEMENT 4 1/2" PRODUCTION CASING AS FOLLOWS: HSM, PRESURE TEST LINES TO 5000 PSI. DROP BTM PLUG. PUMP 20 BBL CHEM WASH AND 20 BBL WATER SPACER, MIX AND PUMP CEMENT. LEAD 580 SKS G + ADD @ 11.5 PPG, 2.98 YELD, 18.227 GAL/SK FRESH WATER (307.8 BBLS). TAIL 1475 SKS OF 50/50 POZ G CEMENT + ADD MIXED @ 14.1 PPG, 1.29 YEILD, 5.979 GAL/SK (340.0 BBLS). DROP TOP PLUG. DISPLACE TO FLOAT COLLAR WITH 146.32 BBL FRESH WATER, OFF & ON RETURNS THROUGH OUT CEMENT JOB - 0 BBLS CEMENT TO SURFACE, BUMP PLUG 0500 HRS WITH 3350 PSI (1000 PSI OVER FDP), FLOATS HELD, 3 BBLS BACK. LET SET FOR ONE HR.
05:00	06:00	1.0	RD CEMENTERS, CLEAN PITS - RIG DOWN.

FULL CREWS: NO INCIDENTS.

SAFETY MEETINGS: CEMENT.

BOP DRILL: NONE.

OPERATED COM (3), WITNESSED (1).

FUEL REC'D: 0 GALS DIESEL.

FUEL ON HAND: 3140 GAL, FUEL USED: 600 GALS.

MUD WT: , PPG, VIS: .

BG GAS: U, PEAK GAS: U @ ' , TRIP GAS: U.

FORMATION: SEGO @ : 9,450'.

MANNED LOGGING UNIT - DAY 8.

<b>09-19-2008</b>	<b>Reported By</b>	KELLY SPOONTS
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<b>Daily Costs: Drilling</b>	\$9,973	<b>Completion</b>	\$8,225	<b>Daily Total</b>	\$18,198
<b>Cum Costs: Drilling</b>	\$678,956	<b>Completion</b>	\$237,516	<b>Well Total</b>	\$916,472
<b>MD</b>	9,450	<b>TVD</b>	9,450	<b>Progress</b>	0
				<b>Days</b>	9
<b>Formation :</b>		<b>PBTD :</b>	0.0	<b>Perf :</b>	
				<b>PKR Depth :</b>	0.0

Activity at Report Time: RDRT/NO COMPLETION

Start	End	Hrs	Activity Description
06:00	07:00	1.0	N/D BOP'S & CLEAN PITS.

ITEMS TRANSFERED FROM ECW 70-04 TO ECW 69-04  
 126.99' (3 JTS), 4 1/2", 11.6#, HCP -110, LTC, R-3, GOOD  
 21.95' (1 JT), 4 1/2", 11.6#, HCP -110, LTC, R-3, GOOD  
 82.91' (2 JTS) 4 1/2", 11.6#, HCP -110, LTC, R-3, BAD  
 10.02' (1 PUPS) 4 1/2", 11.6#, HCP -110, LTC, GOOD  
 FUEL 3140 GAL. @ \$3.75 PER GAL.  
 RIG MOVE FROM ECW 70-04 TO ECW 69-04 = .25 MILES.

07:00 RELEASE RIG @ 07:00 HRS, 9/18/08.  
 CASING POINT COST \$650,944

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<b>09-24-2008</b>	<b>Reported By</b>	SEARLE
<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>
		\$45,148
<b>Daily Total</b>		\$45,148
<b>Cum Costs: Drilling</b>	\$678,956	<b>Completion</b>
		\$282,664
<b>Well Total</b>		\$961,620
<b>MD</b>	9,450	<b>TVD</b>
		9,450
<b>Progress</b>	0	<b>Days</b>
		10
<b>MW</b>	0.0	<b>Visc</b>
		0.0
<b>Formation :</b>	<b>PBTD :</b>	9392.0
	<b>Perf :</b>	
	<b>PKR Depth :</b>	0.0

Activity at Report Time: PREP FOR FRAC

Start	End	Hrs	Activity Description
06:00	06:00	24.0	MIRU SCHLUMBERGER. LOG WITH RST/CBL/CCL/VDL/GR FROM PBTD TO 130'. EST CEMENT TOP @ 2500'. RD SCHLUMBERGER.

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<b>10-04-2008</b>	<b>Reported By</b>	MCCURDY
<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>
		\$2,249
<b>Daily Total</b>		\$2,249
<b>Cum Costs: Drilling</b>	\$678,956	<b>Completion</b>
		\$284,913
<b>Well Total</b>		\$963,869
<b>MD</b>	9,450	<b>TVD</b>
		9,450
<b>Progress</b>	0	<b>Days</b>
		11
<b>MW</b>	0.0	<b>Visc</b>
		0.0
<b>Formation :</b>	<b>PBTD :</b>	9392.0
	<b>Perf :</b>	
	<b>PKR Depth :</b>	0.0

Activity at Report Time: WO COMPLETION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	NU 10M FRAC TREE. PRESSURE TESTED FRAC TREE & CASING TO 8500 PSIG. WO COMPLETION.

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<b>10-07-2008</b>	<b>Reported By</b>	MCCURDY
<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>
		\$968
<b>Daily Total</b>		\$968
<b>Cum Costs: Drilling</b>	\$678,956	<b>Completion</b>
		\$285,881
<b>Well Total</b>		\$964,837
<b>MD</b>	9,450	<b>TVD</b>
		9,450
<b>Progress</b>	0	<b>Days</b>
		13
<b>MW</b>	0.0	<b>Visc</b>
		0.0
<b>Formation : MESAVERDE</b>	<b>PBTD :</b>	9392.0
	<b>Perf :</b>	7743'-9302'
	<b>PKR Depth :</b>	0.0

Activity at Report Time: FRAC

Start	End	Hrs	Activity Description
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06:00 06:00 24.0 RU CUTTERS WIRELINE & PERFORATE LPR FROM 8949'-50', 8954'-55', 8962'-63', 8972'-73', 8978'-79', 9021'-22', 9097'-98', 9117'-18', 9123'-24', 9137'-38', 9145'-46', 9158'-59', 9164'-65', 9191'-92', 9271'-72', 9301'-02' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4169 GAL WF116 PREPAD, 4972 GAL YF116 PAD, 41020 GAL YF116ST+ WITH 137400# 20/40 SAND @ 1-5 PPG. MTP 7883 PSIG. MTR 51.4 BPM. ATP 5107 PSIG. ATR 47.2 BPM. ISIP 3100 PSIG. RD SCHLUMBERGER.

RUWL. SET 6K CFP AT 8914'. PERFORATE MPR/LPR FROM 8625'-26', 8665'-66', 8670'-71', 8695'-96', 8709'-10', 8744'-45', 8776'-77', 8786'-87', 8837'-38', 8843'-44', 8884'-84', 8897'-98' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 2082 GAL YF116 PAD, 26197 GAL YF116ST+ WITH 70000# 20/40 SAND @ 1-4 PPG. (LOST ELECTRONICS ON PCM & COULD NOT MIX GEL) OVER FLUSH W/WF10. MTP 8104 PSIG. MTR 51.4 BPM. ATP 6178 PSIG. ATR 48.1 BPM. ISIP 3800 PSIG.

## REFRAC

2082 GAL YF116 PAD, 19981 GAL YF116ST+ WITH 62600# 20/40 SAND @ 1-4 PPG. MTP 7607 PSIG. MTR 51.5 BPM. ATP 6201 PSIG. ATR 49.4 BPM. ISIP 3800 PSIG. RD SCHLUMBERGER.

RUWL. SET 10K CFP AT 8584'. PERFORATE MPR FROM 8338'-39', 8355'-56', 8394'-95', 8413'-14', 8421'-22', 8466'-67', 8476'-77', 8501'-02', 8510'-11', 8528'-29', 8536'-37', 8566'-67' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 2082 GAL YF116 PAD, 45496 GAL YF116ST+ WITH 155800# 20/40 SAND @ 1-5 PPG. MTP 7795 PSIG. MTR 51.6 BPM. ATP 5620 PSIG. ATR 49.8 BPM. ISIP 3170 PSIG. RD SCHLUMBERGER.

RUWL. SET 10K CFP AT 8276'. PERFORATE MPR FROM 8066'-67', 8076'-77', 8090'-91', 8098'-99', 8127'-28', 8150'-51', 8164'-65', 8186'-87', 8200'-01', 8213'-14', 8227'-28', 8254'-55' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 2082 GAL YF116 PAD, 53568 GAL YF116ST+ WITH 180400# 20/40 SAND @ 1-5 PPG. MTP 7592 PSIG. MTR 51.6 BPM. ATP 4661 PSIG. ATR 50.1 BPM. ISIP 3000 PSIG. RD SCHLUMBERGER.

RUWL. SET 10K CFP AT 8020'. PERFORATE UPR FROM 7743'-44', 7755'-56', 7790'-91', 7797'-98', 7815'-16', 7825'-26', 7925'-26', 7931'-32', 7940'-41', 7996'-97', 8000'-01', 8006'-07' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 2082 GAL YF116 PAD, 46680 GAL YF116ST+ WITH 155200# 20/40 SAND @ 1-5 PPG. MTP 6805 PSIG. MTR 51.6 BPM. ATP 4514 PSIG. ATR 50.2 BPM. ISIP 2800 PSIG. RD SCHLUMBERGER. SWIFN.

10-08-2008		Reported By		MCCURDY							
DailyCosts: Drilling		\$0		Completion		\$471,196		Daily Total		\$471,196	
Cum Costs: Drilling		\$678,956		Completion		\$757,077		Well Total		\$1,436,033	
MD	9,450	TVD	9,450	Progress	0	Days	14	MW	0.0	Visc	0.0
Formation :		PBTB : 9392.0				Perf : 5407'-9302'		PKR Depth : 0.0			
MESAVERDE/WASATCH											
Activity at Report Time: PREP TO MIRUSU											
Start	End	Hrs	Activity Description								
06:00	06:00	24.0	SICP 1623PSIG. RUWL SET 10K CFP AT 7716'. PERFORATE UPR FROM 7388'-89',7395'-96', 7422'-23', 7431'-32',7437'-38',7473'-74',7523'-24', 7533'-34',7570'-71', 7619'-20', 7651'-52', 7698'-99'@ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 2082 GAL YF116 PAD, 41703 GAL YF116ST+ WITH 137600# 20/40 SAND @ 1-5 PPG. MTP 6389 PSIG. MTR 51.5 BPM. ATP 4385 PSIG. ATR 49.5 BPM. ISIP 2800 PSIG. RD SCHLUMBERGER.								
RUWL. SET 10K CFP AT 7360'. PERFORATE UPR/ NORTH HORN FROM 6998'-99',7025'-26',7038'-39', 7054'-55', 7090'-91',7097'-98',7131'-32', 7180'-81',7200'-01',7254'-55',7315'-16', 7344'-45' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 2082 GAL YF116 PAD, 34479 GAL YF116ST+ WITH 107300# 20/40 SAND @ 1-5 PPG. MTP 6509 PSIG. MTR 51.6 BPM. ATP 4442 PSIG. ATR 49 BPM. ISIP 2400 PSIG. RD SCHLUMBERGER.											

RUWL. SET 10K CFP AT 6960'. PERFORATE NORTH HORN FROM 6786'-87', 6792'-93', 6830'-31', 6838'-39', 6865'-66', 6871'-72', 6897'-98', 6902'-03', 6919'-20', 6926'-27', 6934'-46' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 2082 GAL YF116 PAD, 35490 GAL YF116ST+ WITH 111100# 20/40 SAND @ 1-5 PPG. MTP 6741 PSIG. MTR 51.5 BPM. ATP 4238 PSIG. ATR 49 BPM. ISIP 2250 PSIG. RD SCHLUMBERGER.

RUWL. SET 6K CFP AT 6610'. PERFORATE Ba FROM 6321'-22', 6325'-26', 6366'-67', 6379'-80', 6394'-95', 6405'-06', 6454'-55', 6471'-72', 6530'-31', 6537'-38', 6580'-81', 6588'-89' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING WITH 2083 GAL YF116 PAD, 32693 GAL YF116ST+ WITH 97800# 20/40 SAND @ 1-4 PPG. MTP 7785 PSIG. MTR 51.6 BPM. ATP 4782 PSIG. ATR 49.1 BPM. ISIP 2000 PSIG. RD SCHLUMBERGER.

RUWL. SET 6K CFP AT 6220'. PERFORATE Ca FROM 5851'-52', 5861'-62', 5924'-25', 5986'-87', 5999'-600', 6028'-29', 6077'-78', 6109'-10', 6118'-19', 6159'-60', 6174'-75', 6190'-91' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING WITH 2084 GAL YF116 PAD, 31865 GAL YF116ST+ WITH 97200 # 20/40 SAND @ 1-4 PPG. MTP 5869 PSIG. MTR 51.6 BPM. ATP 3557 PSIG. ATR 48.7 BPM. ISIP 1870 PSIG. RD SCHLUMBERGER.

RUWL. SET 6K CFP AT 5824'. PERFORATE Ba FROM 5631'-32', 5637'-39', 5646'-47', 5676'-77', 5681'-82', 5701'-03', 5762'-63', 5769'-70', 5807'-09' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING WITH 2084 GAL YF116 PAD, 34947 GAL YF116ST+ WITH 109700# 20/40 SAND @ 1-4 PPG. MTP 51.6 PSIG. MTR 51.6 BPM. ATP 3654 PSIG. ATR 48.9 BPM. ISIP 1700 PSIG. RD SCHLUMBERGER.

RUWL. SET 6K CFP AT 5580'. PERFORATE Pp/ Ca FROM 5501'-03', 5511'-13', 5519'-21', 5536'-38', 5552'-54', 5558'-60' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING WITH 2074 GAL YF116 PAD, 33004 GAL YF116ST+ WITH 102850# 20/40 SAND @ 1-4 PPG. MTP 4795 PSIG. MTR 51.7 BPM. ATP 3416 PSIG. ATR 47.3 BPM. ISIP 2100 PSIG. RD SCHLUMBERGER.

RUWL. SET 6K CFP AT 5454'. PERFORATE Pp FROM 5407'-10', 5414'-17', 5420'-23', 5426'-29' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING WITH 2069 GAL YF116 PAD, 35655 GAL YF116ST+ WITH 113200# 20/40 SAND @ 1-4 PPG. MTP 4590 PSIG. MTR 51.6 BPM. ATP 3556 PSIG. ATR 48.8 BPM. ISIP 2500 PSIG. RD SCHLUMBERGER.

RUWL. SET 6K CBP AT 5298'. RDWL. SDFN.

10-16-2008		Reported By		BAUSCH							
Daily Costs: Drilling		\$0		Completion		\$38,677		Daily Total		\$38,677	
Cum Costs: Drilling		\$678,956		Completion		\$795,754		Well Total		\$1,474,710	
MD	9,450	TVD	9,450	Progress	0	Days	15	MW	0.0	Visc	0.0
Formation :		PBTD : 9392.0				Perf : 5407'-9302'				PKR Depth : 0.0	
MESAVERDE/WASATCH											
Activity at Report Time: MIRUSU. C/O AFTER FRAC.											
Start	End	Hrs	Activity Description								
07:00	15:00	8.0	MIRUSU. HOLD SAFETY MTG. ND FRAC TREE. NU BOP. RIH W/ 3 7/8" HURRICANE MILL & PUMP OFF SUB TO 5298'. RU TO DRILL OUT PLUGS. SDFN.								

10-17-2008		Reported By		BAUSCH							
DailyCosts: Drilling		\$0		Completion		\$10,753		Daily Total		\$10,753	
Cum Costs: Drilling		\$678,956		Completion		\$806,507		Well Total		\$1,485,463	
MD	9,450	TVD	9,450	Progress	0	Days	16	MW	0.0	Visc	0.0
Formation :		PBTD : 9355.0				Perf : 5407'-9302'		PKR Depth : 0.0			
MESAVERDE/WASATCH											

**Activity at Report Time: RDMOSU. FLOW TEST.**

Start	End	Hrs	Activity Description
07:00	06:00	23.0	SICP 0 PSIG. SISCIP 0 PSIG. HOLD SAFETY MTG. PRESSURE TEST FLOW LINES & POBS TO 2500 PSIG. CLEANED OUT & DRILLED OUT PLUGS @ 5298', 5454', 5580', 5824', 6220', 6610', 6960', 7360', 7716', 8020', 8276', 8584' & 8914'. RIH. CLEANED OUT TO 9355'. LANDED TBG AT 7733.42' KB. ND BOPE. NU TREE. PUMPED OFF BIT & SUB. RDMOSU.

**TUBING DETAIL LENGTH**

PUMP OFF SUB 1.00'  
 1 JT 2-3/8 4.7# N-80 TBG 31.38'  
 XN NIPPLE 1.30'  
 245 JTS 2-3/8 4.7# N-80 TBG 7686.14'  
 2 3/8 N-80 NIPPLE & COUPLING 0.60'  
 BELOW KB 13.00'  
 LANDED @ 7733.42' KB

FLOWED 12 HRS. 32/64" CHOKE. FTP 600 PSIG, CP 900 PSIG. 68 BFPH. RECOVERED 1024 BBLS, 13803 BLWTR.

10-18-2008		Reported By		BAUSCH	
<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$2,430	<b>Daily Total</b>	\$2,430
<b>Cum Costs: Drilling</b>	\$678,956	<b>Completion</b>	\$808,937	<b>Well Total</b>	\$1,487,893
<b>MD</b>	9,450	<b>TVD</b>	9,450	<b>Progress</b>	0
		<b>Days</b>	17	<b>MW</b>	0.0
		<b>Visc</b>			0.0
<b>Formation :</b>	PBTB : 9355.0		<b>Perf :</b> 5407'-9302'	<b>PKR Depth :</b> 0.0	
MESAVERDE/WASATCH					

**Activity at Report Time: FLOW TEST TO SALES**

Start	End	Hrs	Activity Description
06:00	06:00	24.0	FLOWED 22 HRS. 32/64" CHOKE. FTP 750 PSIG. CP 900 PSIG. 44 BFPH. RECOVERED 1166 BLW. 12633 BLWTR. HOOK UP BRECO UNIT.

10-19-2008		Reported By		BAUSCH	
<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$2,430	<b>Daily Total</b>	\$2,430
<b>Cum Costs: Drilling</b>	\$678,956	<b>Completion</b>	\$811,367	<b>Well Total</b>	\$1,490,323
<b>MD</b>	9,450	<b>TVD</b>	9,450	<b>Progress</b>	0
		<b>Days</b>	18	<b>MW</b>	0.0
		<b>Visc</b>			0.0
<b>Formation :</b>	PBTB : 9355.0		<b>Perf :</b> 5407'-9302'	<b>PKR Depth :</b> 0.0	
MESAVERDE/WASATCH					

**Activity at Report Time: FLOW TEST**

Start	End	Hrs	Activity Description
06:00	06:00	24.0	FLOWED 24 HRS. 24/64" CHOKE. FTP 750 PSIG. CP 900 PSIG. 40 BFPH. RECOVERED 1006 BLW. 11627 BLWTR.

10-20-2008		Reported By		BAUSCH	
<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$2,430	<b>Daily Total</b>	\$2,430
<b>Cum Costs: Drilling</b>	\$678,956	<b>Completion</b>	\$813,797	<b>Well Total</b>	\$1,492,753
<b>MD</b>	9,450	<b>TVD</b>	9,450	<b>Progress</b>	0
		<b>Days</b>	19	<b>MW</b>	0.0
		<b>Visc</b>			0.0
<b>Formation :</b>	PBTB : 9355.0		<b>Perf :</b> 5407'-9302'	<b>PKR Depth :</b> 0.0	
MESAVERDE/WASATCH					

**Activity at Report Time: FLOW TEST**

Start	End	Hrs	Activity Description
06:00	06:00	24.0	FLOWED 24 HRS. 24/64" CHOKE. FTP 750 PSIG. CP 1550 PSIG. 36 BFPH. RECOVERED 912 BLW. 10715 BLWTR.

10-21-2008	Reported By	BAUSCH
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<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$2,430	<b>Daily Total</b>	\$2,430
<b>Cum Costs: Drilling</b>	\$678,956	<b>Completion</b>	\$816,227	<b>Well Total</b>	\$1,495,183
<b>MD</b>	9,450	<b>TVD</b>	9,450	<b>Progress</b>	0
		<b>Days</b>	20	<b>MW</b>	0.0
		<b>Visc</b>			0.0

<b>Formation :</b>	<b>PBTD : 9355.0</b>	<b>Perf : 5407'-9302'</b>	<b>PKR Depth : 0.0</b>
MESAVERDE/WASATCH			

Activity at Report Time: FLOW TEST

Start	End	Hrs	Activity Description
06:00	06:00	24.0	FLOWED 24 HRS. 24/64 CHOKE. FTP- 750 PSIG, CP- 1700 PSIG. 32 BFPH. RECOVERED 848 BBLS, 9867 BLWTR.

10-22-2008	Reported By	BAUSCH
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<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$2,680	<b>Daily Total</b>	\$2,680
<b>Cum Costs: Drilling</b>	\$678,956	<b>Completion</b>	\$818,907	<b>Well Total</b>	\$1,497,863
<b>MD</b>	9,450	<b>TVD</b>	9,450	<b>Progress</b>	0
		<b>Days</b>	21	<b>MW</b>	0.0
		<b>Visc</b>			0.0

<b>Formation :</b>	<b>PBTD : 9355.0</b>	<b>Perf : 5407'-9302'</b>	<b>PKR Depth : 0.0</b>
MESAVERDE/WASATCH			

Activity at Report Time: FLOW TEST

Start	End	Hrs	Activity Description
06:00	06:00	24.0	FLOWED 24 HRS. 24/64" CHOKE. FTP 800 PSIG, CP- 1700 PSIG. 28 BFPH. RECOVERED 760 BBLS, 9107 BLWTR. SHUT WELL IN. WAIT ON FACILITIES.

FINAL COMPLETION DATE: 10/21/08

11-17-2008	Reported By	DUANE COOK
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<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$0	<b>Daily Total</b>	\$0
<b>Cum Costs: Drilling</b>	\$678,956	<b>Completion</b>	\$818,907	<b>Well Total</b>	\$1,497,863
<b>MD</b>	9,450	<b>TVD</b>	9,450	<b>Progress</b>	0
		<b>Days</b>	22	<b>MW</b>	0.0
		<b>Visc</b>			0.0

<b>Formation :</b>	<b>PBTD : 9355.0</b>	<b>Perf : 5407'-9302'</b>	<b>PKR Depth : 0.0</b>
MESAVERDE/WASATCH			

Activity at Report Time: INITIAL PRODUCTION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	INITIAL PRODUCTION. OPENING PRESSURE: TP 1800 & CP 2400 PSI. TURNED WELL TO QUESTAR SALES AT 08:00 AM, 11/16/08. FLOWED 1164 MCFD RATE ON 12/64" POS CHOKE. QUESTAR GAS METER #7944. STATIC 429.

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENTFORM APPROVED  
OMB No. 1004-0137  
Expires: July 31, 2010

## WELL COMPLETION OR RECOMPLETION REPORT AND LOG

5. Lease Serial No.  
UTU01304

1a. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Dry <input type="checkbox"/> Other			6. If Indian, Allottee or Tribe Name		
b. Type of Completion <input checked="" type="checkbox"/> New Well <input type="checkbox"/> Work Over <input type="checkbox"/> Deepen <input type="checkbox"/> Plug Back <input type="checkbox"/> Diff. Resvr. Other _____			7. Unit or CA Agreement Name and No.		
2. Name of Operator EOG RESOURCES, INC. Contact: MARY A. MAESTAS E-Mail: mary_maestas@eogresources.com			8. Lease Name and Well No. EAST CHAPITA 70-04		
3. Address 600 17TH STREET SUITE 1000N DENVER, CO 80202			9. API Well No. 43-047-39275		
3a. Phone No. (include area code) Ph: 303-824-5526			10. Field and Pool, or Exploratory NATURAL BUTTES/WASATCH/MV		
4. Location of Well (Report location clearly and in accordance with Federal requirements)* At surface Lot 2 501FNL 1790FEL 40.07061 N Lat, 109.32904 W Lon At top prod interval reported below Lot 2 501FNL 1790FEL 40.07061 N Lat, 109.32904 W Lon At total depth Lot 2 501FNL 1790FEL 40.07061 N Lat, 109.32904 W Lon			11. Sec., T., R., M., or Block and Survey or Area Sec 4 T9S R23E Mer SLB		
14. Date Spudded 07/31/2008			15. Date T.D. Reached 09/17/2008		
16. Date Completed <input type="checkbox"/> D & A <input checked="" type="checkbox"/> Ready to Prod. 11/16/2008			17. Elevations (DF, KB, RT, GL)* 4971 GL		
18. Total Depth: MD TVD 9450			19. Plug Back T.D.: MD TVD 9355		
20. Depth Bridge Plug Set: MD TVD					
21. Type Electric & Other Mechanical Logs Run (Submit copy of each) RST/CBL/CCL/VDL/GR			22. Was well cored? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes (Submit analysis) Was DST run? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes (Submit analysis) Directional Survey? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes (Submit analysis)		

## 23. Casing and Liner Record (Report all strings set in well)

Hole Size	Size/Grade	Wt. (#/ft.)	Top (MD)	Bottom (MD)	Stage Cementer Depth	No. of Sks. & Type of Cement	Slurry Vol. (BBL)	Cement Top*	Amount Pulled
12.250	9.625 J-55	36.0	0	2471		670		0	
7.875	4.500 P-110	11.6	0	9440		2055		2500	

## 24. Tubing Record

Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)
2.375	7733							

## 25. Producing Intervals

## 26. Perforation Record

5407

Formation	Top	Bottom	Perforated Interval	Size	No. Holes	Perf. Status
AWASATCH/MESAVERDE	5407	9302	8949 TO 9302		3	
B)			8625 TO 8898		3	
C)			8338 TO 8567		3	
D)			8066 TO 8255		3	

## 27. Acid, Fracture, Treatment, Cement Squeeze, Etc.

Depth Interval	Amount and Type of Material
8949 TO 9302	50,326 GALS GELLED WATER & 137,400# 20/40 SAND
8625 TO 8898	50,507 GALS GELLED WATER & 132,600# 20/40 SAND
8338 TO 8567	47,743 GALS GELLED WATER & 155,800# 20/40 SAND
8066 TO 8255	55,815 GALS GELLED WATER & 180,400# 20/40 SAND

## 28. Production - Interval A

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
11/16/2008	11/24/2008	24	→	60.0	507.0	180.0			FLows FROM WELL
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas:Oil Ratio	Well Status	
12/64"	1450	2300.0	→	60	507	180		PGW	

## 28a. Production - Interval B

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
			→						
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas:Oil Ratio	Well Status	
			→						

(See Instructions and spaces for additional data on reverse side)

ELECTRONIC SUBMISSION #65635 VERIFIED BY THE BLM WELL INFORMATION SYSTEM

DIV. OF OIL, GAS &amp; MINING

\*\* OPERATOR-SUBMITTED \*\* OPERATOR-SUBMITTED \*\* OPERATOR-SUBMITTED \*\*



## 28b. Production - Interval C

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
			→						
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas:Oil Ratio	Well Status	
			→						

## 28c. Production - Interval D

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
			→						
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas:Oil Ratio	Well Status	
			→						

29. Disposition of Gas(Sold, used for fuel, vented, etc.)  
SOLD

## 30. Summary of Porous Zones (Include Aquifers):

Show all important zones of porosity and contents thereof: Cored intervals and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures and recoveries.

## 31. Formation (Log) Markers

Formation	Top	Bottom	Descriptions, Contents, etc.	Name	Top Meas. Depth
WASATCH/MESAVERDE	5407	9302		GREEN RIVER MAHOGANY UTELAND BUTTE WASATCH CHAPITA WELLS BUCK CANYON PRICE RIVER MIDDLE PRICE RIVER	1988 2676 4783 4932 5531 6197 7243 7989

## 32. Additional remarks (include plugging procedure):

Please see the attached sheet for detailed perforation and additional formation marker information.

RECEIVED

DEC 18 2008

DIV. OF OIL, GAS &amp; MINING

## 33. Circle enclosed attachments:

- |   |                    |               |                       |
|---|--------------------|---------------|-----------------------|
| 1. Electrical/Mechanical Logs (1 full set req'd.)     | 2. Geologic Report | 3. DST Report | 4. Directional Survey |
| 5. Sundry Notice for plugging and cement verification | 6. Core Analysis   | 7. Other:     |                       |

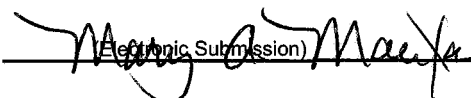
## 34. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records (see attached instructions):

Electronic Submission #65635 Verified by the BLM Well Information System.  
For EOG RESOURCES, INC., sent to the Vernal

Name (please print) MARY A. MAESTAS

Title REGULATORY ASSISTANT

Signature



Date 12/16/2008

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

\*\* ORIGINAL \*\* ORIGINAL \*\* ORIGINAL \*\* ORIGINAL \*\* ORIGINAL \*\* ORIGINAL \*\* ORIGINAL \*\*

**East Chapita 70-04 - ADDITIONAL REMARKS (CONTINUED):**

**26. PERFORATION RECORD**

7743-8007	3/spf
7388-7699	3/spf
6998-7345	3/spf
6786-6936	3/spf
6321-6589	3/spf
5851-6191	3/spf
5631-5809	3/spf
5501-5560	3/spf
5407-5429	3/spf

**27. ACID, FRACTURE TREATMENT, CEMENT SQUEEZE, ETC.**

7743-8007	48,927 GALS GELLED WATER & 155,200# 20/40 SAND
7388-7699	43,950 GALS GELLED WATER & 137,600# 20/40 SAND
6998-7345	36,726 GALS GELLED WATER & 107,300# 20/40 SAND
6786-6936	37,737 GALS GELLED WATER & 111,100# 20/40 SAND
6321-6589	34,776 GALS GELLED WATER & 97,800# 20/40 SAND
5851-6191	33,949 GALS GELLED WATER & 97,200# 20/40 SAND
5631-5809	37,031 GALS GELLED WATER & 109,700# 20/40 SAND
5501-5560	35,078 GALS GELLED WATER & 102,850# 20/40 SAND
5407-5429	37,724 GALS GELLED WATER & 113,200# 20/40 SAND

Perforated the Lower Price River from 8949-50', 8954-55', 8962-63', 8972-73', 8978-79', 9021-22', 9097-98', 9117-18', 9123-24', 9137-38', 9145-46', 9158-59', 9164-65', 9191-92', 9271-72', 9301-02' w/ 3 spf.

Perforated the Middle/Lower Price River from 8625-26', 8665-66', 8670-71', 8695-96', 8709-10', 8744-45', 8776-77', 8786-87', 8837-38', 8843-44', 8884-85', 8897-98' w/ 3 spf.

Perforated the Middle Price River from 8338-39', 8355-56', 8394-95', 8413-14', 8421-22', 8466-67', 8476-77', 8501-02', 8510-11', 8528-29', 8536-37', 8566-67' w/ 3 spf.

Perforated the Middle Price River from 8066-67', 8076-77', 8090-91', 8098-99', 8127-28', 8150-51', 8164-65', 8186-87', 8200-01', 8213-14', 8227-28', 8254-55' w/ 3 spf.

Perforated the Upper Price River from 7743-44', 7755-56', 7790-91', 7797-98', 7815-16', 7825-26', 7925-26', 7931-32', 7940-41', 7996-97', 8000-01', 8006-07' w/ 3 spf.

Perforated the Upper Price River from 7388-89', 7395-96', 7422-23', 7431-32', 7437-38', 7473-74', 7523-24', 7533-34', 7570-71', 7619-20', 7651-52', 7698-99' w/ 3 spf.

Perforated the Upper Price River/North Horn from 6998-99', 7025-26', 7038-39', 7054-55', 7090-91', 7097-98', 7131-32', 7180-81', 7200-01', 7254-55', 7315-16', 7344-45' w/ 3 spf.

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Perforated the North Horn from 6786-87', 6792-93', 6830-31', 6838-39', 6865-66', 6871-72', 6897-98', 6902-03', 6919-20', 6926-27', 6934-36' w/ 3 spf.

Perforated the Ba from 6321-22', 6325-26', 6366-67', 6379-80', 6394-95', 6405-06', 6454-55', 6471-72', 6530-31', 6537-38', 6580-81', 6588-89' w/ 3 spf.

Perforated the Ca from 5851-52', 5861-62', 5924-25', 5986-87', 5999-6000', 6028-29', 6077-78', 6109-10', 6118-19', 6159-60', 6174-75', 6190-91' w/ 3 spf.

Perforated the Ba from 5631-32', 5637-39', 5646-47', 5676-77', 5681-82', 5701-03', 5762-63', 5769-70', 5807-09' w/ 3 spf.

Perforated the Pp/Ca from 5501-03', 5511-13', 5519-21', 5536-38', 5552-54', 5558-60' w/ 3 spf.

Perforated the Pp from 5407-10', 5414-17', 5420-23', 5426-29' w/ 3 spf.

### 32. FORMATION (LOG) MARKERS

Lower Price River	8780
Sego	9334

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DIV. OF OIL, GAS & MINING

STATE OF UTAH  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

FORM 7

REPORT OF WATER ENCOUNTERED DURING DRILLING

Well name and number: East Chapita 70-04

API number: 4304739275

Well Location: QQ LOT2 Section 4 Township 9S Range 23E County UINTAH

Well operator: EOG

Address: 1060 E HWY 40

city VERNAL state UT zip 84078

Phone: (435) 781-9111

Drilling contractor: CRAIGS ROUSTABOUT SERVICE

Address: PO BOX 41

city JENSEN state UT zip 84035

Phone: (435) 781-1366

Water encountered (attach additional pages as needed):

DEPTH		VOLUME (FLOW RATE OR HEAD)	QUALITY (FRESH OR SALTY)
FROM	TO		
2,040	2,060	NO FLOW	NOT KNOWN

Formation tops:  
(Top to Bottom)

1	2	3
4	5	6
7	8	9
10	11	12

If an analysis has been made of the water encountered, please attach a copy of the report to this form.

I hereby certify that this report is true and complete to the best of my knowledge.

NAME (PLEASE PRINT) Mary A. Maestas

TITLE Regulatory Assistant

SIGNATURE

Mary A Maestas

DATE

12/16/2008

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